

**Testimony of the
New York City Department of Housing Preservation and Development
to the New York City Committee on Housing & Buildings Oversight of**

Introduction 657-2026

March 9, 2026

Good morning, Chair Sanchez and members of the New York City Council Committee on Housing & Buildings. My name is Rosa Kelly, Chief of Staff to the Commissioner at the New York City Department of Housing Preservation and Development. I am joined today by my colleagues, Lucy Joffe, Deputy Commissioner for Policy and Strategy, AnnMarie Santiago, Deputy Commissioner for Enforcement and Neighborhood Strategies, and Kerry LaBotz, Associate Commissioner for Preservation Finance and Portfolio Management. Thank you for the opportunity to testify regarding Int. 657, proposed legislation to modernize the Third Party Transfer program.

The Third Party Transfer program was created by the Council in 1996 to respond to a critically distressed subset of residential buildings experiencing prolonged unpaid municipal debt alongside deteriorating housing conditions. Years of unpaid property taxes, water and sewer charges, and other municipal charges often signals deep financial distress that can lead to worsening conditions for tenants.

Addressing these conditions is of utmost importance to the City. In addition to the tax enforcement functions of TPT carried out alongside the Department of Finance and the Department of Environmental Protection, HPD views the program as a key part of our broader enforcement and preservation toolkit to ensure housing remains safe and livable for New Yorkers.

HPD's broader work to ensure housing quality and preservation often begins with the Office of Enforcement and Neighborhood Services (ENS) who work day in and day out to protect the health and safety of tenants by enforcing the Housing Maintenance Code, promoting compliance, and preserving the quality of the city's housing stock. In FY26 through January 31st, ENS received almost 569,000 housing maintenance code complaints, issued nearly 460,000 violations to property owners, and cleared over 408,000 violations. We have strengthened accountability through initiatives like the launch of the second Certification Watchlist, an enhanced enforcement program designed to combat violations falsely certified as corrected by property owners. We have also taken decisive legal action to ensure owner accountability, including announcing a \$2.1 million settlement against A&E for serious violations of housing standards. At the same time, through the administration's Rental Ripoff hearings and ongoing engagement,

we will be creating opportunities for tenants to provide direct feedback on our code enforcement process, ensuring that lived experience informs enforcement strategies and housing policy.

HPD works across multiple offices to support the quality and affordability of existing housing. Through HPD's Office of Neighborhood Strategies, programs like the Partners in Preservation initiative support tenant organizers to stabilize distressed buildings, strengthen tenant associations, and help residents remain in their homes. These efforts work alongside the Office of Development's various loan and property tax incentive programs, which support owners to make investments in housing quality while keeping housing affordable for current and future residents. This work is critical to HPD's mission, and forms the backbone of our approach to ensuring housing quality.

Taken together, HPD's enforcement, preservation, and financing framework supports the broader housing stock. However, there are a small number of buildings where years of unpaid municipal debt and persistent hazardous housing conditions indicate a deeper level of distress that cannot be resolved through standard enforcement or preservation tools alone. While the vast majority of housing is in good condition, there are a small number of properties that face financial and physical issues.

SLIDE 2 shows that there are about 770,000 class 1 and class 2 residential properties, excluding condos, in New York City. Of these properties, ~70% of residential properties do not owe property tax or water/sewer charges and did not have any hazardous or immediately hazardous violations issued from January 2023 to January 2026 that remain open. Of the 770,000 properties, approximately:

- 26% owe property tax and water arrears, totaling approximately \$3.1 billion
- 5% have B and C housing violations issued between January 2023 to January 2026 that remain open
- Only 2% have both tax delinquency and open recent housing violations

It is within this narrow slice of the housing stock, only 2% of properties, that have the most serious financial and physical distress. The Third Party Transfer program is designed to focus on a very narrow subset of these severely distressed properties where other enforcement, outreach, and preservation tools have not resolved the underlying instability, and where residents need housing stabilization.

Unlike traditional foreclosure, properties that enter TPT are foreclosed upon by the City and transferred to an interim owner, Neighborhood Restore HDFC, and then conveyed to qualified affordable housing developers for rehabilitation and stabilization with HPD support. Through TPT, residents are able to remain in their homes with continued affordability and rent stabilization protections. In qualifying buildings, tenants who are interested and able to manage a

cooperative housing development have the option to petition to become a limited equity cooperative after their building is rehabilitated.

Since its inception, TPT has stabilized over 7,500 homes in approximately 510 properties, improving housing quality and stability for about 15,000 residents. It has been a key tool, reserved for the buildings most in need, to stabilize distressed properties, protect residents, and preserve long-term affordability.

In response to concerns identified after the most recent round of TPT in 2015, HPD and City Council convened a TPT Working Group in 2019 with the purpose of eliciting ideas for operational improvements to ensure that the program was properly focused and achieved its intended purpose to stabilize properties in crisis. That group included elected officials, tenant advocates, legal services providers, M/WBE developers, property managers, and community-based organizations, with information provided by the Department of Finance and the Department of Environmental Protection.

The Working Group released a report in late 2021 and recommended several important changes to the program. These included eliminating the statutory “block pick-up” requirement in favor of a more refined selection process, balancing financial and physical distress in eligibility criteria, standardizing payment plans, expanding outreach in partnership with CBOs and elected officials, and exploring additional technical assistance for owners.

We are pleased that the Council has re-introduced legislation to modernize TPT, and many of the proposed changes reflect both the Working Group’s recommendations and HPD’s data-driven analysis.

In alignment with Working Group feedback, HPD is proposing significant changes to eligibility and selection. We want to discuss these modifications in depth and provide additional context on the characteristics of the properties that would potentially be included if the City were to commence a round today.

SLIDE 3 summarizes proposed eligibility criteria. Under the proposed “critical eligibility,” or balanced model, residential properties would qualify if:

- Tax Class 1 properties and cooperatives have delinquent debt exceeding three years of their annual tax liability;
- Tax Class 2 HDFC rental properties have delinquent debt exceeding two years of their annual tax liability; or
- Tax Class 2 rental properties have delinquent debt exceeding one year of their annual tax liability.

Of the 770,000 residential class 1 and class 2 properties, excluding condos, less than 1%, about 3,000 properties, meet the minimum criteria for TPT eligibility.

Once eligibility is determined, we propose the City identify Critical Eligible properties through an indexing system to rank properties on the basis of municipal debt as well as open Class B and Class C housing code violations issued in the last three years. Each property will receive a score on these factors, which will then be multiplied such that the properties with the highest combination of debt and housing violations receive the lowest score. Properties will be selected in order, starting with the lowest score for inclusion in the program. HPD proposes the agency have the ability to determine the number of properties selected for a particular round and the frequency of a round.

SLIDE 4 provides illustrative data showing the characteristics of the top 200 and top 500 properties using the proposed selection methodology based on data from November 2025. The size of a round may vary depending on what we learn through redemption rates and new components of the program as we continue to negotiate the proposed bill and conduct a future round of TPT. Municipal arrears range from \$260,000,000 to \$312,000,000 for the top 200 or 500 properties, **SLIDE 5** with approximately \$625,000 to \$1.3 million owed per property, and \$60,000 to \$70,000 per unit. **SLIDE 6** demonstrates that recently issued unresolved violations range from 13,500 to 20,000 across the top 200 or 500 properties, averaging 40 to 70 per property, and 4 to 6 per unit. The top 200 or 500 properties have \$6,000,000 to \$11,000,000 in Emergency Repair Charges. **SLIDE 7** demonstrates that nearly 25 to 35 percent of the top 200 or 500 properties are already in enhanced enforcement programs such as 7A or AEP, underscoring that these are buildings where prior interventions have not produced sustained correction.

SLIDE 8 shows how the proposed criteria compare to the existing Statutorily Distressed definition. Overall, the proposed selection methodology results in properties that have higher levels of municipal debt and housing code violations. On average, Critical Eligible properties have 40 percent more debt and 2 percent more violations. The Critical Eligible method identifies larger buildings, averaging 30 units, meaning more tenants benefit per intervention. The Statutorily Distressed method tends to identify smaller properties, averaging 10 units, many of which are owner-occupied. **SLIDE 9** demonstrates that the Critical Eligible method also results in a more even distribution of properties across boroughs, whereas roughly half of the properties identified under the Statutorily Distressed method were concentrated in Brooklyn.

Modernizing TPT is a key step to expanding our toolkit to stabilize distressed properties in NYC. By reforming TPT, the City can ensure this powerful program focuses on the properties with the most delinquent debt and recent violations so that the buildings can be stabilized with improved housing quality for residents.

At the same time, we want to flag areas of the current Council draft that merit further discussion.

SLIDE 10 We fully agree that owners, City Council, and residents should be informed. We want to work with City Council to refine the notice and outreach requirements to ensure that interested parties are provided appropriate and actionable information at critical milestones. While HPD and the other agencies involved in administering the program have historically done extensive outreach to property owners, we propose to strategically supplement those current notices with the following:

- Requirement that each agency involved in administration of the program have a clear agency liaison identified on the website and all required notices,
- Adding a second notice of possible foreclosure to the owner(s),
- Continuing a notice to the property owner at commencement of the foreclosure action, when delinquent taxes are filed in court, and highlighting options which the owner can utilize to redeem their property and to exit the action,
- Post-commencement, distributing the notice of foreclosure at the building (common areas/flyering) in addition to notifying the Council, and
- Providing a final warning notice to property owners with clear information about outstanding violations and arrears, redemption options, agency liaisons, and the possibility to claim surplus.

In addition to the added notices and ongoing outreach support from agency liaisons, this work will be supplemented by the Owner Resource Center who can provide technical assistance support for owners, and a website for owner access to key information.

Our goal is to create clear criteria for building owners to be able to pay outstanding arrears, address housing conditions, and avoid foreclosure. As such, we recommend that payment plans be streamlined with standard payment options available to property owners. Simplifying payment options will make it easier for owners to understand options and make it easier for agencies to provide good customer service. As property selection is proposed to be based on tax liens as well as property conditions, we also support redemption requirements that tie the resolution of arrears to the correction of hazardous violations so that housing conditions improve as part of any path out of TPT.

Additionally, we recommend excluding vacant lots from the eligibility criteria. TPT is a tax enforcement program with the ultimate goal of housing stabilization for residents of these troubled buildings, and given limited City resources, the program should remain focused on supporting the preservation of housing for existing tenants. In fact, vacant land included in prior rounds of TPT has often consisted of small, difficult-to-develop sites, underscoring that TPT is better suited as a tool for housing stabilization rather than development.

Finally, the City will add a new process by which an owner of a foreclosed property can make a claim of surplus equity, where it exists.

At a time when so many New Yorkers struggle to find quality, affordable housing, we must protect housing that already exists and work to improve conditions for residents living in buildings in crisis. TPT is a critical program to stabilize housing for New Yorkers focused on stabilizing a subset of properties with the highest municipal debt and housing code violations.

We look forward to continuing to work together to refine this legislation and deliver better outcomes for property owners and, most importantly, for the residents living in financially and physically distressed buildings.

Thank you, and we welcome your questions.



OFFICE OF THE BROOKLYN BOROUGH PRESIDENT

ANTONIO REYNOSO

Brooklyn Borough President

**City Council Committee on Housing and Buildings
Oversight Hearing: Preserving Affordable Housing in Distress and the Third-Party
Transfer Program, Intro 657
March 9, 2026**

Good morning, Chair Sanchez and thank you for holding this hearing today. I am here representing Brooklyn Borough President Antonio Reynoso, who wants to thank you for giving this legislation the time, attention, and thoughtfulness required for it to be successful.

Since 1996, the Third-Party Transfer (TPT) program has been an important tool in the City's toolbox to hold landlords accountable, protect tenants, and preserve and improve affordable housing. Its goal is to transfer properties with high municipal debt and poor living conditions from delinquent landlords to responsible owners. However, the program's existing enabling legislation contains multiple issues that caused too many properties, including owner-occupied homes, to be swept up in the last round. This led to unnecessary foreclosures and lawsuits and undermined the program's purpose.

The SAFER Homes Act, Intro 657, addresses these issues and creates the framework for a more targeted program that focuses on the most distressed properties, those with the highest levels of debt and hazardous or immediately hazardous violations. This can range from mold and leaks that can cause long-term health problems, to fire safety, security, or structural conditions that put tenants in imminent risk of harm.

The legislation also adds crucial changes identified by the City's TPT Working Group, including ending the problematic block pickup provision, adding more robust outreach requirements, and giving HDFC co-ops the opportunity to become co-ops again after transfer. It promotes opportunities for tenant ownership, add community land trusts and eligible third parties for property transfer, and creates a path for vacant land and unoccupied buildings to be redeveloped, increasing opportunities to create social housing. Additionally, it adds a new provision to protect against legal challenges by allowing property owners to claim surplus equity.

Two weeks ago in Brooklyn, the administration held its first "Rental Ripoff" hearing, where hundreds of Brooklynites came out to tell the Mayor about their poor living conditions. For some of these tenants, a different enforcement mechanism may be the right option to get their issues addressed. But for those who are suffering through the most hazardous

situations brought on by the most negligent landlords, the SAFER Homes Act gives the City the tool it needs to step in and restore their quality of life while maintaining rents they can afford.

Thank you again for holding this hearing today. Borough President Reynoso will continue to be a partner in this work to stabilize our neighborhoods and deliver accountability for our city's renters.

REBNY Testimony | March 9, 2026

The Real Estate Board of New York to The City Council Committee on Housing and Buildings on the Third Party Transfer Program

The Real Estate Board of New York (REBNY) is the City's leading real estate trade association representing commercial, residential, and institutional property owners, builders, managers, investors, brokers, salespeople, and other organizations and individuals active in New York City real estate. REBNY thanks the City Council for the opportunity to submit comments on Intro 657 regarding the Third-Party Transfer (TPT) program.

REBNY supports the goal of ensuring that distressed properties are rehabilitated and that tenants live in safe, well-maintained housing. The TPT program can serve as an important enforcement tool in truly extreme cases where long-term neglect of properties threaten residents and neighborhoods. This legislation provides the opportunity to preserve affordable housing and ensure that property owners and residents are treated fairly.

We support the Council's thoughtful approach revising the TPT program. The updated proposed program outlines a clear definition of distressed properties by evaluating buildings with the highest financial and physical distress based on tallying unpaid taxes and other obligations to the city and a high level of serious violations. The reforms also eliminate the "block pick-up" provision that led to non-distressed buildings being included in the program.

The reformed TPT program would include a distressed property portal to give property owners transparency and information about properties subject to the program's enforcement process. REBNY supports this change, which will improve transparency and give owners clearer information about debt, violations, and the status of the property. The portal, in conjunction with the proposed dedicated ombudsperson to assist property owners facing tax-lien foreclosure, is a necessary improvement to the program. This addition will provide a single point of assistance for owners navigating violations, debt, and foreclosure risk.

Additionally, the inclusion of periodic policy review is an important aspect of the bill. This would require HPD to review the policy every three years and submit recommendations to the Mayor and Speaker for improving the in-rem foreclosure procedures established under the law.

Finally, it is critical that the reformed program includes clear statutory standards that could trigger a building's eligibility. The ability of a city agency to include buildings in the program at its discretion would risk repeating the same mistakes of the past and would create significant risk and uncertainty

for owners. Future revisions of the program should not expand agency discretion. Any formula used to qualify a property must be transparent, fixed, and narrowly defined. The current bill accomplishes this goal.

REBNY appreciates the opportunity to voice support for the revamped TPT program and looks forward to working with the Council to ensure the program remains an effective tool for addressing truly distressed properties and providing quality housing for New Yorkers.

Thank you,

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Powering a
more equitable
New York

**SAFER Homes Act Testimony
NY City Council Committee on Housing and Buildings Hearing
March 9, 2026**

Thank you to the Council's Committee on Housing and Buildings, and Chair Sanchez, for holding this critical hearing on the SAFER Homes Act (Intro 657). This bill will provide the City with a powerful tool to hold bad actors accountable and stabilize the most distressed buildings.

Since 1843, the Community Service Society of New York (CSS) has promoted economic opportunity and well-being for low-income New Yorkers through research, policy advocacy, and direct services. We have been at the forefront of advocacy for better housing conditions since the beginning, from the city's first tenement laws in the 1800s to contemporary organizing for strong tenants' rights.

Our 2025 Annual Survey of Housing and Economic Security showed wide housing quality issues across the rental market. We found the greatest among low-income tenants and housing voucher-holders. Additionally, we know that there are specific landlords who have spent years deferring maintenance in their buildings, making conditions essentially unlivable for their tenants, without recourse.

New York City needs **stronger tools** to stabilize buildings in financial and physical distress, and to hold bad landlords accountable.

Dovetailing with broader tax lien sale reform, the SAFER Homes Act would create such a tool. It would improve the Third Party Transfer program's targeting and increase outreach to building owners. The revamped program will focus on buildings in most severe physical and financial distress, while clearly communicating with owners and residents alike throughout the process.

In particular, SAFER Homes will offer an expanded pathway for tenants to create new co-ops, creating a pathway for new social housing creation.

CSS offers our full support to the SAFER Homes Act.

Thank you for the opportunity to testify. If you have any questions, please contact me at omironova@cssny.org



Testimony Before the New York City Council Committee on Housing and Buildings: Regarding the New York City Safer Homes Act (Third Party Transfer)

March 9th, 2026

Good afternoon. My name is Melanie Salazar and I am the Advocacy and Public Affairs Program Manager at the Center for NYC Neighborhoods. I would like to thank Chair Sanchez and the members and staff of the Committee on Housing and Buildings for holding today's hearing on the Safer Homes Act (Third Party Transfer program). We look forward to continuing to partner with Chair Sanchez and members of the New York City Council to achieve our mission of promoting and protecting affordable homeownership in New York so that middle- and working-class families can live in strong, thriving communities.

About the Center for NYC Neighborhoods

The Center promotes and protects affordable homeownership in New York so that middle- and working-class families are able to live in strong, thriving communities. Established by public and private partners, the Center meets the diverse needs of homeowners throughout New York state by offering free, high-quality housing services. Since our founding in 2008, our network has assisted 380,000 low- and moderate-income families keep their homes and gain financial stability, preserving over \$10 billion in neighborhood property value across New York State. We have provided more than \$60 million in funding to community-based partners. Major funding sources for this work include the New York State Division of Homes and Community Renewal, and the Office of the State Attorney General, along with other public and private funders. To assess the impact of our services in the communities we assist across New York City, we have created our district profiles, an interactive map designed to provide homeownership and geographic data that's readily available and informative.¹ Additionally, since 2021, the Center's subsidiary, Sustainable Neighborhoods, has administered the New York State Homeowner Assistance Fund in partnership with New York State Homes and Community Renewal (HCR), which distributed over \$400 million in federal relief to homeowners affected by the pandemic who were struggling with housing payments.

Affordable Homeownership in New York City

We would like to commend the New York City Council for their efforts on affordable homeownership bringing forth legislation such as INT 0657, allocating funding for estate planning services, community opportunity to purchase (COPA), and combatting predatory practices such as deed theft. On behalf of everyone at the Center, we are deeply grateful for your championing of New York City's working- and middle-class homeowners and we look forward to working with this council to ensure that New Yorkers have the tools they need to stay and thrive in their homes.

¹ Center for NYC Neighborhoods. District Profiles. <https://cnycn.org/district-profiles>

There is still more to be done to confront the many obstacles to affordable, sustainable homeownership in New York today. For this reason, we're asking for the council's support in securing \$6.525M to expand our foreclosure prevention services, \$1.2M for our home repair services contributing to the city's Homefix program, and \$2M for our estate planning services and heirs property initiatives.² We look forward to working with the council on these initiatives and ensuring affordable homeownership is at the forefront of our housing agenda.

Preserving affordable homeownership is especially important in a city where the racial wealth gap and income inequality have increased significantly over the past decade. It is essential to recognize that while the Safer Homes Act aligns with our overall mission of ensuring homeowners are allowed to retain their homes in livable conditions, we must clarify and demonstrate which ways the legislation differs from previous iterations of the TPT program and what additional services are still needed to assist homeowners.

The Safer Homes Act (Third Party Transfer Program)

Earlier versions of the Third Party Transfer program primarily addressed the need to stabilize distressed multifamily buildings. Few single family homes met the definition of statutory distress that defined eligibility for TPT despite single-family owner-occupied homes being typically subject to the tax lien sale and mortgage foreclosure proceedings when a homeowner is in deep distress. Nevertheless, previous iterations of this program disproportionately affected Black and Brown homeowners who faced financial difficulties in resolving their tax or water bill arrears. Due to this, the Safer Homes Act, a reformed version of this program seeks to provide solutions to those concerns.

Based on the final report by the TPT working group, the goals and intent of the program, in addition to property tax enforcement, were to create and maintain affordable housing by stabilizing properties' physical and financial health, and to keep properties safe, habitable, and affordable for those who live there.³ This new legislation would allow the city to transfer properties with significant property tax arrears to third party organizations, which includes nonprofit organizations, developers, or CLTs. It will also involve administration by the NYC Department of Finance (DOF), the NYC Department of Housing Preservation and Development (HPD), and the NYC Department of Environmental Protection (DEP). This collaboration is essential in ensuring the program and its intentions successfully complete the goal of taking on the worst debilitating buildings, with significant property arrears, and in some cases the work of slumlords across the city.

Through this legislation, the City forecloses on financially and physically distressed properties and transfers them to a third party for rehabilitation. It would expand the definition of distressed properties, create additional notice requirements to property owners and building residents, and provide opportunities for building owners to avoid the transfer of their property in particular circumstances.

² Center for NYC Neighborhoods FY27 City Council Funding Requests.  CNYCN FY27 City Council Flyer .pdf

³ Third Party Transfer Working Group, TPT Final Report, November 8th 2021. Available at: <https://www.nyc.gov/assets/hpd/downloads/pdfs/services/tpt-working-group-final-report.pdf>

The Center is supportive of the intentions behind the Safer Homes Act in addressing profoundly unsafe housing conditions in buildings whose owners have abandoned their responsibilities and tenants. In particular, we commend the council for removing the Block Sweep aspect of this bill which allowed previous iterations of the program to negatively impact BIPOC homeowners and communities. We also thank Chair Sanchez for including our recommendations and ensuring owner occupied Tax Class 1 properties are exempt from this program. We respectfully submit the following recommendations to further help NYC homeowners avoid losing their properties:

1. Dedicated pathways for TC1 & TC2 properties through technical and financial assistance.
 - a. We must ensure that owner occupied TC1 and TC2 properties are clearly exempt in this new iteration of the program.
 - b. We can ensure homeowner occupied properties are not targeted by including a clear definition of owner occupancy that mimics Philadelphia's Homestead Tax Exemption⁴:
 - i. Affidavit plus two forms of identification/proof of address.
 - c. We propose a separate program and different set of guidelines for 1-4 unit smaller buildings and multi-family properties. These properties are not similar in the number of violations or cost per unit compared to larger buildings and typically wouldn't reach the same level of risk as a major distressed building. While preservation and property distress still should be addressed through this program we would recommend a difference in approach for TC1 and TC2 properties.
2. Further clarification on language revolving owner-occupied properties
 - a. This bill needs to reconcile with the tax lien reform legislation as much as possible through plain language that ensures owner-occupied properties are prioritized. One to four family homes should be exempt from this legislation and provided opt-out options.
3. Allocations towards CLTs that would take on distressed properties
 - a. CLTs need substantial financial and operational support to facilitate the ownership transfer of distressed buildings that need rehabilitation. Any entity that takes on a distressed property has to be well resourced.
 - b. Expansion of resources to the Ombudsperson and the Office of the Homeowner Advocate given their necessary involvement during homeowner mediation and third party transfer opportunities for CLTs, nonprofits, etc.
4. Extensive increase in funding for existing programs that are in place to prevent foreclosure and address repairs to avoid homeowners having to take part in programs like SHA or the tax lien sale
 - a. Outreach through the Homeowner Help Desk
 - i. Provide necessary counsel and referrals for technical support and financial services.
 - b. Estate Planning Services
 - i. Protect the assets of LMI BIPOC homeowners and address the disproportionate threats to intergenerational wealth transfer.
 - c. Homefix - in collaboration with HPD
 - i. Maintain the city's aging housing stock, achieve financial sustainability, and prevent the displacement of lower-income families and neighbors.

⁴ City of Philadelphia. <https://www.phila.gov/documents/homestead-exemption-application/>

Helping Homeowners Prevent Foreclosure & Safer Homes Act as a companion to the TLS Reform

The Center's goal is to help homeowners retain their homes whenever possible, and we work to help homeowners address delinquent taxes before they lead to negative consequences. Each year, the Center aims to keep as many homeowners as possible out of the tax lien sale by conducting direct outreach to homeowners on the pre-lien sale lists, and by coordinating with our network partners to assist homeowners in obtaining a payment plan or by qualifying for an exemption. We also provide support to homeowners who have had tax liens sold by connecting them to foreclosure prevention and legal services.

Given our tax lien sale outreach work, we've noted many NYC homeowners struggle to afford property tax, water, and other municipal charges. These charges can be a substantial burden for homeowners trying to keep their properties amid rising real estate values and maintenance costs. For this reason, we're calling on the Safer Homes Act bill language to expand to one to four family homes. While we are thankful to Chair Sanchez for excluding owner occupied tax class 1 properties, we want to highlight additional language and work is still needed to ensure homeowners are supported and aware of the off-ramps and alternative pathways available to them.

We also recognize bad actors need strong enforcement because they have accumulated multiple years of unpaid property taxes, water bills, and increased deferred maintenance which has negatively impacted their tenants. Therefore, we see the Safer Homes Act as an important tool to ensure bad actors are held accountable and that the city aims to expand quality affordable housing.

For homeowners, we call for a different approach: increased legal protections and support for homeowner services, particularly for those who are either at risk of the tax lien sale or the Safer Homes Act. This would include expansion of educational resources for owner-occupied properties, easy access to available off-ramps, and additional support to keep homeowners off the lien sale list. We are calling for the Safer Homes Act to exempt owner occupied 1-4 family homeowners. Additional work is needed to ensure homeowners and tenants alike are receiving the necessary relief and homeowner services to sustain their home equity or stability.

Most small-property owners aren't trying to fail their tenants or lose their homes — which is why the City should ensure clear, proactive, multilingual outreach paired with tools that work for Tax Class 1 and small Tax Class 2 properties. This can be accomplished through:

- Technical assistance to address building conditions and compliance
- Financial assistance or flexible payment options to resolve arrears
- Navigation support so owners can follow a clear path to stability

In cases where the homeowner is negligent of the conditions of their properties, we recommend an individual approach to determine whether or not inclusion into the SHA program is necessary. This can be a step towards ensuring we are preserving equity and affordable housing in New York. From our efforts to prevent homes being sold at the tax lien sale, we've learned many homeowners aren't aware

of the resources available to them. Taking an outreach approach will ensure homeowners receive the necessary support if they find themselves in either the tax lien sale or SHA.

Extensive Support for Community Land Trusts & Opportunities for Resident Ownership

The Center for NYC Neighborhoods has supported the development of community land trusts (CLTs) on the ground in New York City, in partnership with the Interboro Community Land Trust. Formed in 2016, Interboro is a collaboration between four mission-driven nonprofit affordable-housing organizations: Center for NYC Neighborhoods, Habitat for Humanity NYC and Westchester County, Mutual Housing Association of New York (MHANY), and Urban Homesteading Assistance Board (UHAB).

Interboro has 450-plus homeownership units (which will be permanently affordable and simultaneously individual, intergenerational, and community asset-building opportunities) in their pipeline across different boroughs of the city. The majority of these units will be limited-equity housing cooperatives; the remainder are 1 to 3 unit family homes. Furthermore, of the 1,200 housing units on community land trusts that HPD has financed or plans to finance, over one-third of these permanently-affordable, resident-owned homes are Interboro projects.⁵

Under the Safer Homes Act (TPT), community land trusts provide a pathway for distressed properties however the third party acquisition process for CLTs in the legislation will require extensive financial and operational support. To effectively advocate for CLTs as third-party stewardship entities, collaboration between City Council, HPD, and CLTs is needed. We recommend an increase of funding to \$3M in the citywide CLT initiative funds, which will provide the necessary additional support to maintain, repair, and increase affordable housing opportunities.

Since CLTs provide a separate ownership pathway, we recommend guidelines surrounding the acquisition of distressed foreclosed properties. The allotted number of properties that are considered eligible under program guidelines should have a robust toolbox to ensure CLTs know what their available options are and what their financial support entails. We also advocate for intention around how we bring those properties to CLTs across the city given the need for increased financial and operational funds.

CLTs across the city, specifically Interboro, provide tenant and community ownership as the overarching goal of their composition. We commend CM Sanchez, the committee, and HPD for working together to ensure tenant ownership pathways are not lost in this legislative effort. Through third party sponsorship and stewardship of CLTs, tenants can apply for ownership of the properties in this program.⁶ This inclusion gives tenants the opportunity to decide for themselves and eventually own their units, and with support from existing CLTs ensure equity is preserved and affordable housing is maintained. A great example of this is 2201 Davidson, where residents became owners and co-op shareholders.⁷

⁵ Interboro 2025 Data. <https://www.interboroclt.org/>

⁶ Safer Homes Act TPT 2026 Overview and Memo.

⁷ <https://www.bxtimes.com/tenants-at-2201-05-davidson-ave-achieve-rare-feat-of-removing-their-negligent-landlord/>

As noted, community land trusts are a powerful tool to ensure affordability remains at the forefront of their property acquisition. In balancing permanent affordability, equity building, and neighborhood stability, Interboro supports New Yorkers and strengthens communities through the development and stewardship of permanently-affordable homes for ownership by low- and moderate-income households across the five boroughs. We look forward to working with this committee and the council to ensure CLTs such as Interboro have the necessary resources they need to address debilitating properties while maintaining affordable housing.

Conclusion

Thank you for the opportunity to testify. We want to emphasize that this program would need adequate staffing and planning within city agencies, including HPD, the Department of Finance, and Department of Environmental Protection. These measures are crucial to ensuring that New Yorkers have access to safe, healthy, and affordable housing for low- to moderate-income families of color. We look forward to continuing our collaboration with this committee, the council, and providing feedback on how we can build a more equitable city for all.



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East New York Community Land Trust

Testimony to the New York City Council Committee on Housing and Buildings for the SAFER Homes Act, Introduction 657-2026

March 9, 2026

Thank you, Chair Sanchez and members of the Housing and Buildings Committee. My name is Jakob Kendall Schneider and I am the Senior Program Manager for Research and Policy at the East New York Community Land Trust.

The East New York Community Land Trust works to prevent displacement and real estate speculation in the neighborhoods of East New York and Brownsville. We do this through community organizing and providing permanently affordable CLT housing on community-owned and democratically-governed land.

Our neighborhoods are two of the last affordable, predominantly Black and Brown neighborhoods in Brooklyn, and have seen a wave of investor and slumlord purchases for at least a decade. These investors and slumlords put the health and safety of their tenants at risk, drive up rents in unregulated housing stock, and, as evidenced by the number of properties impacted by the New York City's tax lien sale, fail to pay their property taxes and other City charges in a timely manner.

Passing the SAFER Homes Act would be an important step in addressing the “worst of the worst” properties owned by negligent landlords and investors in the neighborhoods where we work. It is a welcome policy tool that could also support permanently affordable housing and democratic, community ownership when community land trusts become stewards of these properties.

East New York and Brownsville tenants, as defined by Brooklyn Community Boards 5 and 16, are disproportionately burdened by financially and physically distressed properties. Based on our analysis of the Department of Finance's (DOF) list of properties eligible for the 2025 lien sale, we found that these two communities had 13% of all properties Citywide that met the statutory definition of distress and nearly a third of those properties in Brooklyn. These 62 properties owed \$19.4 million in outstanding City charges in February 2025 when DOF released the list, including 20 vacant lots. The 42 Class 1 & 2 buildings in the two neighborhoods averaged 23.8 open Hazardous or Immediately Hazardous Maintenance and Housing Code (MHC) violations as of February 2025.

I'd like to share an example of a property that the SAFER Homes Act could help

address. An East New York slumlord had multiple properties eligible for the lien sale in 2025, two of which met the definition of distress. Both are four-unit properties. One property, on Williams Avenue, has an average of 52.75 Class B and C violations per unit, while their property on Bradford Avenue averages 84.25 violations per unit. Tenants in the Bradford building live with roof leaks that lead to large patches of mold on their walls, rat and cockroach infestations, lack of heat and hot water, and an array of other violations. The owner also has a record of tenant harassment. Yet, without an enforcement tool, the landlord continues to collect rents from tenants while making them live in abhorrent conditions. This is but one case of many in East New York and communities like it across the city.

For more than five years, the City has had limited options when dealing with these properties. Their physical and financial distress makes them ineligible for the lien sale and without a functioning program, like the one proposed in this bill, tenants continue to live in unimaginable conditions and community members deal with the blight and safety issues vacant lots present. This Committee and the Council must pass this bill so there is a tool that can help tenants and residents of our neighborhoods live with dignity and safe conditions.

For the reasons described above, ENYCLT strongly supports the SAFER Homes Act. It is imperative that the bill be passed out of this Committee and come to a full Council vote as soon as possible — it is long overdue and there is no time to spare.

While we fully support the bill, we also think it can be improved. Specifically, CLTs partnering with tenants should be given priority when HPD considers applicants for disposing of properties covered under the program the SAFER Homes Act would authorize. We are committed to ensuring residents live in dignity, have control over their homes, and that properties under our stewardship are permanently affordable and democratically governed. After enduring years of inexcusable conditions, tenants deserve no less.

Thank you.

Private Housing Finance Law. These programs are actually predatory lending schemes masquerading as affordable housing programs.

HPD arranges sponsor/developer [Neighborhood Restore, Settlement Housing Fund, SHUHAB, UHAB (Urban Homesteading Assistance Board), Finger Management, Wavecrest Management] access to public monies ostensibly to provide affordable housing to residents. In fact, sponsors and developers are enriched and residents are left with damaged property and unmanageable debt. The predatory lending scheme threatens the retirements of workers vested in City of New York pension funds that are guaranteeing these programs i.e. “economically targeted investments”.

Furthermore, residents are subjected to “breaches of law” **that include deprivation of rights under the 5th Amendment to the U.S. Constitution**, mortgage fraud, inverse condemnation, regulatory taking (ultra vires, unjust enrichment) and violations of Truth in Lending Laws.

For example, in the City of New York, 644 Riverside Drive is saddled with a \$46 million dollar mortgage, 540-550 West 144th Street saddled with a \$14 million mortgage, 50 West 112th Street, 86 West 119th Street, 477 West 142nd Street, 544 East 13th Street and other buildings are at risk.

The Third Party Transfer Program is inherently a criminal enterprise ... Conveyance of real estate ownership without the knowledge or consent of the person having to pay back the loan.

Since Fall of 2004, The Residents of 936-938 St, Nicholas Avenue have suffered the perpetuation of a fraudulent refurbishing/renovation that has resulted in a “sick” building that needs to be made whole. Renovation was not performed per the Scope of Work. Inferior [poisonous] building material was used. The shoddy work has resulted in creating environmental and structural conditions that affect residents’ health, morbidity and mortality. The building is mold infested, seen and unseen. Respiratory, cardiovascular, pulmonary illness and broken hearts abound.

For example, in this fifty-one (51) unit building, eighteen (18) residents have died from initial symptoms that include respiratory distresses and memory loss. The contractor was given a deposit of \$3,912,000.00 without scope of work compliance.

Residents have recently learned that the building’s lack of a Certificate for Occupancy is a violation of the City of New York Multiple Dwellings Law §301. How/Why was a mortgage granted without a Certificate of Occupancy?

Things cannot continue this way.

The **Job No. 103324653** which was/is the permit for the 2002-2004 construction work in 938 St. Nicholas Avenue, Block 2107, Lot 20 is still **Open** at the City of New York Department of Buildings (DOB). The Work remains Incomplete. The Contractor willfully misfiled the Job so that it did not reflect the true cost of the Scope of Work and compliance with the Multiple Dwellings Law. There was No Certificate of Occupancy in 2006. There is NO Certificate of Occupancy NOW. How/Why was a mortgage granted without a Certificate of Occupancy?

Please note the document file for the foreclosure action that commenced in 2013 under the auspices of Judge Joan Madden and dismissed dated July 31, 2018: "Ordered that plaintiff's foreclosure action is dismissed in its entirety without prejudice; and it is further Ordered that the temporary receivership of Daniel R. Milstein is terminated and Mr. Milstein shall be fully discharged as Receiver upon court approval of his final accounting":

850011 – 2013--

<https://iapps.courts.state.ny.us/nyscef/DocumentList?docketId=P7AHkVkAJoaJnTcmWwrEA==&display=all&courtType=New%20York%20County%20Supreme%20Court&resultsPageNum=1>

Unfortunately, the mortgage note was transferred to a new lender for the third time during the dismissed foreclosure action. The new lender served the building and shareholders with a new foreclosure action on Wednesday, 5th September 2018. It is assigned **Index No. 850233-2018--** New York County Supreme Court

Short Caption: 938 ST. NICHOLAS AVENUE LENDER LLC, - v. - 936-938 CLIFFCREST HOUSING DEVELOPMENT FUND CORPORATION et al

Case Type: Real Property - Mortgage Foreclosure - Commercial

Case Status: Pre-RJI;

<https://iapps.courts.state.ny.us/nyscef/DocumentList?docketId=YjmbXxmT0PYGZOFID8uTig==&display=all&courtType=New%20York%20County%20Supreme%20Court&resultsPageNum=1>

The Managing Member of 938 ST. NICHOLAS AVENUE LENDER LLC, Mr. David Aviram, is also the Principal and Director of Acquisitions for Maverick Real Estate Partners (www.maverickrep.com), "a private equity fund manager that acquires loans, mechanic's liens and judgments secured by real estate"

We ask that the HPD Corruption Investigation begin with 1) 938 St. Nicholas Avenue, NY, NY 10032 (now in foreclosure; tenants face eviction); 2) 640 and 644 Riverside Drive, NY, NY 10031; 3) 20 and 22 Mount Morris Park West, NY, NY 10027; 4) 544 East 13th Street, NY, NY 10009 and 477 West 142nd Street, NY, NY 10031. A thorough investigation of each of these buildings will most likely expose the criminality of fraud and fraudulent inducement.

Please note the unresolved testimonies from the following hearings:

City of New York Council Hearings held by the Housing and Buildings Committee on the Third Party Transfer Program, **26th April 2018** (Committee Report, 7p; Testimony, 275p; Transcript, 209p):

<https://legistar.council.nyc.gov/LegislationDetail.aspx?ID=3465116&GUID=1BC54EFF-A8C0-4A4A-B278-E939E85D17A8&Options=&Search=>

and **22nd July 2019** (Committee Report, 15p; TPT Hearing Slides, 34p; TPT. Hearing Testimony, 266p; TPT Hearing Testimony (Con't), 1p; TPT Hearing Transcript, 271p); <https://legistar.council.nyc.gov/LegislationDetail.aspx?ID=>

1st November 2023, Committee on Oversight and Investigations; Note video at 2:30 re HPD, UHAB, Third Party Transfer (TPT); Testimony, ; Transcript, <https://legistar.council.nyc.gov/LegislationDetail.aspx?ID=6379859&GUID=2AF2C863-1483-4E45-B52D-1507FA5F24BB&Options=&Search=>

30th September 2024, Committee on Housing and Buildings, Oversight - Third Party Transfer Program, 250 Broadway - Committee Room, 14th Floor: Oversight - Third Party Transfer Program.

<https://legistar.council.nyc.gov/LegislationDetail.aspx?ID=6865151&GUID=BCBAB298-E485-4FA8-8378-EFF5DF2B3ED7&Options=&Search=> **Attachments:** 1. Committee Report, 2. Hearing Testimony, 3. Hearing Transcript; **Video:** 03:25:15, NYCC-PV-250-14_240930-132212.mp4

3rd June 2025, Committee on Housing and Buildings, T2025-3401: Oversight— Social Housing. Attachments: 1. Committee Report, (81p) 2. Hearing Testimony, (201p); <https://legistar.council.nyc.gov/LegislationDetail.aspx?ID=7300951&GUID=AC07906C-17F3-42A5-BBE9-3DF3C9393043>

Thank you for reading this letter. You must employ every resource you can muster to assist our efforts to end HPD corruption, judicial malfeasance and malpractice.

We look forward to hearing from you very soon.

Sincerely,

M.E. Greene-Cohen, Founding Executive Director

Harlem Housing Advocacy Group, Inc. P.O. Box 2741, New York, NY 10027,
hello@hhaginc.org www.hhaginc.org

JustFix Testimony for SAFER Homes Act Hearing

To: Chair Sanchez and members of the Committee on Housing and Buildings.

My name is Joel Stillman, Executive Director of JustFix, where we build free digital tools to help tenants understand and enforce their housing rights in the fight against displacement.

Through our online housing data platform, called *Who Owns What*, we uncover landlord portfolios that are usually hidden behind individual LLCs. With this platform we can analyze HPD housing violation patterns across landlord portfolios across New York City.

We know that serious housing disrepair in NYC is widespread, and anecdotally we know that many landlords act in good faith and will respond positively to additional support. But our analysis of HPD data also reveals another pattern.

When we look at immediately hazardous Class C violations across NYC, we see that they are heavily concentrated among a very small subset of owners.

Specifically, the largest 4% of landlord portfolios account for 80% of all Class C violations issued since the start of 2024.

That concentration shows that the “worst of the worst” housing conditions the SAFER Homes Act seeks to address are disproportionately found within larger ownership portfolios where severe violations persist across multiple buildings. The legislation is focused on those cases, with clear exemptions for small owner-occupied homes and tailored provisions for HDFCs.

The buildings this legislation targets are also known entities, cycling through years of inspections, litigation, and emergency repair programs. In these narrow but serious cases, existing enforcement tools have not shifted conditions on the ground where tenants face emergency health hazards on a daily basis.

For tenants living in these buildings, where ownership has repeatedly failed to act in good faith, ownership change becomes a necessary intervention of last resort.

Thank you for the opportunity to testify.



Joel Stillman
Executive Director
JustFix, Technology for Housing Justice
Joel@justfix.org



March 9, 2026

Dear Council Member Sanchez, members of the Committee on Housing and Buildings and staff,

Thank you so much for accepting our comments on the SAFER Homes Act.

We are thrilled that we share a priority for using municipal debt collection as a strategy for tenant protection, increasing cooperative homeownership opportunities and the preservation and development of homes and other community assets. We also continue to share the Council's urgency to bring a city foreclosure program for distressed properties back online as a tenant protection measure--the longer we don't have such a program, the more tenants make their homes in buildings that are not safe for their occupancy while landlords shirk their obligations to maintain safe housing.

We are pleased to see that vacant lots and unoccupied buildings are included in the categories of property that will be eligible for city foreclosure and excluded from any future lien sales, regardless of tax class. As some of those properties are likely candidates for uses beyond housing--such as new community green spaces, and affordable cultural and community uses--we recommend having a mechanism for agencies beyond Housing Preservation and Development to influence the selection of properties for foreclosure from those eligible.

Maximizing Impact

The proposed legislation allows the Dept. of Housing Preservation and Development to determine the number of properties subject to foreclosure action for the first year of the program, as long as they are within the twentieth percentile or higher of the bill's

indexed distress score. In subsequent years, the Dept. of Housing Preservation and Development will select properties within the twentieth percentile or higher without discretion. These properties are the “worst of the worst” in the City and we support the proposed legislation as it will provide a pathway to ensure tenants no longer live in dangerous conditions.

Since this is a companion program to the lien sale and the criteria for inclusion in this revamped program will be expanded, the bill should be amended to require that properties with outstanding liens sold in past lien sale rounds—those currently held by 1998-2, 2021 and 2025 trusts—be examined for potential inclusion in City Foreclosure based on indications of physical distress. The tax lien trust managers have no accountability to tenants in buildings with liens and neighborhoods with deteriorating buildings. Where such buildings can be routed to more responsible ownership, existing liens should be defecked to give the City the opportunity to foreclose instead of the privately managed tax lien trust (which will auction to the highest bidder should it succeed in foreclosure, instead of transferring to HPD-vetted landlords). Such review should happen at every round of City Foreclosure to identify properties that should be routed to the program that might have been previously included in a lien sale.

Harnessing the Preservation Powers of Community Land Trusts (CLTs)

The bill as drafted requires HPD to “consider whether” a third party applying for property disposition is a “responsible legal tenant, not-for-profit organization, neighborhood-based-for-profit individual or organization, or community land trust.” We think this language should be strengthened to prohibit awarding property to a for-profit entity unless no legal tenant, not-for-profit organization, or community land trust has expressed a willingness to partner with HPD on redevelopment.¹

A further improvement would be to require priority to be given to legal tenants, not-for-profit organizations and neighborhood-based-for-profit individuals or organizations **that are partnering with community land trusts** for permanent preservation of affordability over all other potential redevelopment partners HPD considers.

Thank you so much for all you do,

The Abolish the Tax Lien Sale Coalition

Members:

Community Service Society of New York
East New York Community Land Trust
New Economy Project
TakeRoot Justice

Endorsers:

NYC Communities for Change
New York Civil Liberties Union
The Center for NYC Neighborhoods

¹ Similar to the language of Public Land for Public Good, [Int. No. 650-2026](#).

Western Queens Community Land Trust
Brooklyn Level Up
Bronx CLT
Northwest Bronx Community and Clergy Coalition
Coalition for Community Advancement
NYCCLI
MHANY Management Inc.



Housing Development Fund Corp.

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**Testimony of Salvatore D'Avola, Chief Executive Officer
Neighborhood Restore Housing Development Fund Corporation
NYC Council Housing & Buildings Committee
Intro 657
March 9, 2026**

Good morning. My name is Salvatore D'Avola, and I am the Chief Executive Officer of Neighborhood Restore Housing Development Fund Corporation. Thank you, Chairperson Sanchez and members of the Committee, for the opportunity to speak with you today.

The re-introduction of this bill is an important step forward. It gives the City a renewed path to address the needs of some of our most vulnerable residents - people living in buildings that are both physically deteriorated and financially distressed. For the past eight years, while municipal foreclosures have been paused, the City has had very few tools to take control of properties where negligent landlords ignore unsafe and, at times, life-threatening conditions.

This bill is the product of years of collaboration. Government agencies, housing advocates, and both non-profit and for-profit affordable housing partners have all worked together to try to get this right. We are grateful to Councilperson Sanchez and her staff for leading this effort. Neighborhood Restore supports this legislation, and we look forward to continuing the conversation as it moves toward adoption.

The last time the City made significant changes to its foreclosure process was 30 years ago. Local Law 38 of 1996 called for the City to transfer distressed properties directly to responsible new ownership without the City first taking title. The legislation was the outgrowth of a study commissioned by the Department of Housing Preservation and Development ("HPD"), which showed that foreclosed, or "in rem," properties remained in City-ownership for far too long, and that large City agencies were not effective in addressing the needs of the residents in distressed properties. By transferring properties directly to a third party, corrective action could be taken quickly and efficiently to address repair needs and provide safe, affordable homes for its tenants. That was the birth of the Third Party Transfer ("TPT") Program.

Neighborhood Restore is a 27-year-old mission-driven, non-profit organization created specifically to oversee the management of properties foreclosed upon by the City. As a supporting organization of two nationally renowned affordable housing non-profits - the Local Initiatives Support Corporation ("LISC") and Enterprise Community Partners - and with the support of HPD, Neighborhood Restore has improved the quality of life for thousands of low-income families by ensuring that they are living in decent and safe homes. As the temporary steward of these properties, we work closely with our community-based partners to ensure that the most urgent and hazardous conditions are addressed, that tenants are not displaced, and that rents remain affordable.

Neighborhood Restore brings over a quarter century of experience and knowledge that makes it uniquely qualified to manage the most distressed housing in New York City.

Through TPT, Neighborhood Restore takes interim title to foreclosed properties, stabilizes and prepares them for long-term ownership by community-based organizations. This gives our partners the time and support to build relationships with tenants, assess building needs, secure financing, and plan rehabilitation - all while overseeing day-to-day operations on our behalf.

Since 1999, 595 properties with over 7,500 units of housing located throughout all five boroughs of New York City have been included in TPT. To date, 25 properties remain in Neighborhood Restore's ownership, with 570 properties having successfully transferred to long-term community-based for-profit, non-profit and/or tenant-based ownership. With the transfer of these properties to responsible, qualified sponsors/owners, the residents now live in newly renovated homes with affordable rents that are regulated in perpetuity.

While highlighting the achievements in transitioning physically and financially distressed properties into affordable community assets, we would be remiss if we did not acknowledge the concerns and criticisms raised about some aspects of TPT. While the vast majority of in rem foreclosed properties are multifamily, privately-owned occupied buildings, vacant land and vacant buildings that are blights to their communities have also been included, as have housing development fund corporation cooperatives (more commonly known as "HDFC coops") and one-to three-family homes. The inclusion of some properties during the last round of in rem foreclosures in 2018 and 2019 led many elected officials, advocates and community groups to stress the need to update various components of the program. A working group was convened to solicit ideas for operational improvements, ensure that the program continues to prioritize stabilizing properties in crisis and consider changes to the criteria for inclusion in TPT. I am pleased to see that this legislation incorporates several of the recommendations brought forward by the working group as well as through subsequent discussions on a revamped program.

We recognize the challenges inherent in crafting legislation that must account for diverse building types, ownership structures, and financial circumstances. It is critical to provide pathways for responsible owners who face temporary financial hardship and need support to stabilize their properties. However, it is essential that the program prevents negligent owners from exploiting procedural delays to avoid accountability while tenants continue to suffer. This bill strikes that balance, offering help where recovery is possible and intervention where it is not.

TPT has long been an effective tool against abandonment and displacement. It improves housing quality for low-income families and helps stabilize neighborhoods. The improvements proposed in this legislation will make the program more effective and responsive to the needs of the City's residents and neighborhoods. It gives the City better tools to intervene early - offering help to owners who can recover, and decisive action when they cannot.

Thank you for your time and interest in our work. I am happy to answer any questions.

###



FOR THE RECORD

Open New York Testimony before the New York City Council
Committee on Housing and Buildings
March 9, 2026

Good morning, I'm Jack Connors, City Legislative Manager at Open New York – a statewide, grassroots advocacy group that advocates for abundant homes and lower rents. Thank you Chair Sanchez and members of the committee for allowing me the opportunity to speak in support of Intro 657, the SAFER Homes Act, this morning.

We commend Council Member Sanchez for championing this legislation to overhaul and restart the City's third party transfer program. Year after year, the Public Advocate publishes his 'Worst Landlords Watchlist,' but the City lacks the recourse needed to take action on behalf of the 350,000 New Yorkers living in unsafe, unconscionable conditions thanks to those landlords.

The SAFER Homes Act gives HPD the tools it needs to advocate on their behalf. Owners will continue to be afforded numerous opportunities to rectify issues, including through city financing. But, after these off-ramps have been exhausted, buildings whose owners fail to show a good-faith effort to meet their tenants' basic human rights will be turned over to responsible ownership.

We support elimination of the "block pick-up" provision which had led to undistressed properties being foreclosed upon simply due to their proximity to negligent owners, the opening of a ten year look-back window for such properties, and new language providing for transfer of long-vacant land with no filed DOB permits that show signs of blight.

This bill not only holds bad owners accountable, it provides for new tenant rights and creates new opportunities for tenant ownership. For the first time, residents of neglected properties will be allowed to partner with community land trusts or HDFC co-ops which historically haven't been allowed to reconstitute after a transfer. HPD will be required to give notice to qualified third parties for the first time as well.

In the midst of a decades-long housing crisis, New York City must do everything it can to grow access to safe and affordable housing. No New Yorker should have to choose between remaining in unsafe conditions or leaving the city they love. We urge swift passage of the SAFER Homes Act. Thank you.

CONTACT: Jack Connors, City Legislative Manager | jack@opennewyork.org

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Testimony of

The Legal Aid Society

before the

New York City Council Committee on Housing and Buildings: Oversight - Preserving Affordable Housing in Distress and the Third-Party Transfer Program and Intro No. 0657-2026, a Local Law to amend the administrative code of the city of New York, in relation to the Third Party Transfer Program

March 9, 2026

We submit this testimony in support of Introduction Number 0657 of 2026 (“Intro. 0657”), which proposes amendments to the Third Party Transfer Program (“TPT”).

We recognize and appreciate the chair’s continued leadership in examining how the City can more effectively address distressed housing conditions while preserving affordability and housing stability and preventing tenant displacement. We are especially appreciative and want to again thank Chair Pierina Sanchez for her leadership and advocacy on behalf of her constituents—the tenants from 2201-05 Davidson (hereinafter “Davidson Tenants”), who have been clients of the Legal Aid Society’s Bronx Neighborhood Office’ Tenant Group Advocacy practice for ten years.

ABOUT THE ECONOMIC EQUITIES AND GROUP ADVOCACY PRACTICES

The Legal Aid Society’s Economic Equities projects include our Consumer Law and Bankruptcy Project, the Foreclosure Prevention and Homeownership Preservation Project, the Trust and Estates Project, the Low-Income Tax Clinic, and our Community Development Project. Through these projects, we provide direct representation of New Yorkers on all these economic justice issues. Of particular relevance here is the work we do to support and represent small homeowners facing foreclosure or at risk of losing their homes.

The Society’s Group Advocacy Practice represents tenant associations and resident groups in multifamily buildings experiencing systemic distress, discrimination, or



harassment. We frequently encounter buildings in serious financial deterioration, where ownership lacks the capacity or willingness to stabilize operations and conditions continue to decline despite ongoing tenant efforts. In these instances, ownership transition is often the only realistic pathway toward long term stabilization.

We are pleased that Intro 0657 will allow the TPT to move forward after a prolonged hiatus. Restoring and improving the tool is important for the small homeowners, tenants, and buildings we work with every day.

2201-05 Davidson, a 49-unit rent-stabilized building in University Heights in the Bronx, stands as a prime example of the importance of a functioning TPT mechanism. Davidson is a cautionary tale of what can befall tenants when their building remains in limbo due to a neglectful owner, who for all intents and purposes, has walked away from their building.

The Davidson tenants' odyssey of confronting neglect truly began decades ago, but in 2015, the City had placed 2201-05 Davidson into the last round of the TPT program due to millions of dollars in property tax debt owed to the City and the deplorable conditions in the building. Through legal maneuverings, new owner-investors in the building managed to stop the tax foreclosure through a federal bankruptcy filing. Soon after, it became clear that the investors actually had no plan to resolve the property tax debt owed to the City or address the conditions in the property. Still, it took three years, until 2018, for the City and tenants' motion to finally be resolved and have the bankruptcy case dismissed.

If the TPT transfer process had been functioning then, the building could have proceeded through the TPT eight years ago and the worsening conditions in the building would have started to be addressed. Unfortunately for the Davidson tenants, because of the legal complications surrounding the TPT program, the tenants' calls to push the building through TPT were stymied.

The Davidson tenants therefore found themselves in a netherworld that a functioning TPT process would have addressed. They faced investors who had no plan to settle the property tax debt owed to the City, which over the years, increased by millions of dollars. The investors surely understood that the mounting property tax debt would have no



consequences for them because the property tax debt is one that is attached to the building, not the owners.

Meanwhile, as the property tax debt soared by the millions, so did the number of New York City Department of Housing Preservation and Development (“HPD”) violations of record issued by the City, which also ballooned to 962 by December 2024. The elevator completely stopped functioning in August 2023, forcing some seniors, and families with young children and strollers to climb six stories to get to their homes. Tenants dealt with severe leaks that were never repaired, dangerous mold and ongoing vermin infestations. The absentee owners also discontinued janitorial services resulting in filthy hallways and piles of trash in the common areas. Ultimately, the tenants had to pool their resources to hire someone to clean up the common areas and manage the garbage. Tenants also lived in fear of trespassers who had easy access through the broken building door lock and knew the building was not being maintained.

The Davidson tenants attempted to use litigation in Bronx Housing Court to force the investors to meet their legal obligations to tenants. Represented by The Legal Aid Society’s Group Advocacy team, the tenants filed a 7A case to have a receiver appointed and a subsequent HP case for repairs and harassment, but the glacial pace of housing court cases made this litigation an ineffective tool to hold the owners to any reasonable account. Despite the frustrations of tenants who continued to contend with dangerous conditions, tenants and their organizing partners at Northwest Bronx Community Clergy Coalition (NWBCCC) never gave up their call to the City to find a way to take the building away from the investors. Their request was always simple- that tenants should have a real say in the future of their building and the chance to make the building into a co-op.

Through the strenuous advocacy of tenants, NWBCC, the office of Council Member Sanchez, as well the Legal Aid Society’s counsel, in April of this past year, the City’s Corporation Counsel and HPD negotiated with the investors to finally allow the building to go into the TPT program. While tenants continue to organize and to fight to preserve their homes, neighborhood and community, post TPT- transfer to Neighborhood Restore HDFC, we must all recognize the profound consequences of the years that the building spent in legal limbo due to the lack of a functioning TPT transfer process. These long years took a significant toll on the lives and health of tenants, and the deterioration of physical



conditions in the building means that needed repairs grow much more difficult and expensive.

The City can and must do better for tenants like the Davidson tenants by ensuring that the TPT program can take buildings out of the hands of the worst, most neglectful owners in a timely fashion, and before building conditions deteriorate to the extent they did at 2201-05 Davidson. Furthermore, the City can prevent the displacement of low-income tenants while protecting and stabilizing communities throughout the five boroughs by ensuring the TPT program gives tenants a clear path to creating low-income limited equity coops in their buildings. Moreover, while TPT is unquestionably invaluable in preserving distressed multifamily properties, as explained below, care must also be taken to prevent forfeiture of small properties by long-term low-income owners.

PROPOSED ENHANCEMENTS TO THE THIRD PARTY TRANSFER PROGRAM

Intro. 0657 reflects thoughtful engagement with stakeholders and demonstrates a meaningful effort to refine the program based on prior implementation experience. Our testimony focuses on how the proposed legislation will affect tenants living in distressed and abandoned buildings and the proposed protections for owner-occupied properties while highlighting several implementation considerations that could make the program more effective and sustainable.

The TPT program remains essential because traditional code enforcement is often ineffective in buildings where an owner has walked away or that are in a state of financial collapse. In these situations, tenants are forced to remain in place while heat and hot water fail, hazardous violations accumulate, building systems, including electrical, security, elevator, trash maintenance, and pest control-deteriorate, and property management becomes absent or unreliable. These unsafe and unstable housing conditions frequently persist for years before meaningful enforcement intervention occurs. During this time, tenants often face uncertainty regarding repair responsibilities, rent collection practices, building ownership status, and the long-term affordability of their housing. TPT provides a mechanism not just to correct violations, but to transfer distressed



properties to entities capable of rehabilitating and maintaining safe and affordable housing. Strengthening tenant participation, improving communication, and ensuring timely and effective building rehabilitation are central to addressing the lived realities tenants experience when properties enter the TPT pipeline.

In reviewing Intro. 0657, we focus primarily on the experiences of tenants living in buildings where ownership has either abandoned the property entirely or has constructively abandoned it by failing to maintain essential building systems, comply with regulatory requirements, or competently address ongoing hazardous conditions. We are also concerned with ensuring that small homeowners are not unintentionally swept into enforcement actions that could result in the loss of their homes due to the lack of awareness or difficulty navigating available relief and cure opportunities. The proposed legislation makes several meaningful improvements that strengthen the TPT program's ability to stabilize distressed housing while incorporating lessons learned from prior program implementation. Intro. 0657 reflects a deliberate effort to strengthen the City's ability to intervene in these situations while balancing fairness, transparency, and due process.

Importantly, the legislation advances broader housing preservation goals by reinforcing pathways that support rehabilitation and responsible property transfer when ownership abandonment has occurred. The bill promotes earlier engagement and clearer enforcement benchmarks. It also strengthens oversight, which helps facilitate transitions to responsible ownership entities that are better positioned to stabilize buildings. For tenants living in chronically distressed buildings, these changes will increase housing security. The legislation also incorporates stronger protections for small homeowners and emphasizes opportunities to cure and resolve distress before transfer. These provisions help balance enforcement with preservation and reduce the risk that enforcement mechanisms will unintentionally destabilize vulnerable owner households.

These improvements reflect a thoughtful effort to preserve affordable housing, promote building rehabilitation, and balance enforcement with fairness while recognizing prior concerns about due process and owner-occupant protections.



RECOMMENDATIONS

We recognize that significant policy development has informed the currently proposed legislation, and we commend the Council for incorporating lessons learned from prior enforcement and property transfer programs. The bill meaningfully advances fairness, transparency, and preservation objectives. At the same time, several implementation areas present opportunities to further strengthen the legislation's ability to protect tenants, small homeowners, and their families while ensuring that enforcement remains targeted toward properties experiencing sustained distress.

Accordingly, our recommendations address both programmatic concerns and the practical challenges experienced by tenants, homeowners, and their families impacted by the property transfer process. These recommendations build upon the proposed legislation's existing framework.

Tenant Participation and Decision-Making

Tenant participation has historically been a central component of TPT-related interventions, and the legislation's preservation goals are strengthened when tenants remain active participants in ownership transitions. Earlier program structures provided clearer pathways for tenant ownership and cooperative conversion when statutory criteria were met.

While the proposed legislation maintains preservation objectives, expanding structured tenant participation opportunities would further strengthen housing stability and community preservation. At present, tenants are generally not included in substantive conversations between sponsors and HPD regarding ownership and management decisions. While some limiting is understandable, in practice this can leave tenants without meaningful avenues to provide feedback on decisions that directly affect their homes. For example, the selection and continued retention of a management company can significantly shape building conditions and tenant experience. Providing tenants with structured opportunities for input regarding management selection and retention would allow them to work collaboratively with HPD and help ensure that sponsors act as



responsible stewards. Tenant participation should be incorporated whether the building is transitioning to tenant ownership, or will remain a rental property.

Similarly, when buildings require large scale capital improvements or multiple system replacements, tenants are uniquely positioned to inform how the work is prioritized based on their lived experiences. Even where HPD ultimately retains final decision-making authority, incorporating tenant input regarding the sequencing and scope of major renovations would promote transparency, improve accountability, and empower the tenants who strive to become eventual homeowners.

Implementing regulations must ensure that tenants have meaningful input in ownership transitions, management selection, and redevelopment planning. Tenant participation helps align building rehabilitation with long-term affordability, and resident needs. Clear tenant participation pathways also promote transparency and improve tenant confidence during building transitions.

Sponsor Oversight and Building Disposition

The proposed legislation recognizes the importance of responsible successor ownership and improved oversight mechanisms. Strong sponsor performance standards are essential to ensuring that buildings entering the TPT program achieve long-term stabilization and affordability goals.

We note that the proposed legislation requires HPD to assess a building within 30 days of transfer to a sponsor when the transfer is based on a tenant ownership application. There does not appear to be a comparable structured evaluation process for sponsors selected directly by HPD. Establishing a formal and transparent sponsor evaluation framework with meaningful tenant input at defined intervals could strengthen accountability and long-term building stability. Such evaluations could assess whether sponsors are meeting core obligations, including mortgage and tax payments, timely completion of repairs, effective oversight of management companies, proper lease issuance, and compliance with subsidy recertification requirements.

We recommend the legislation requires HPD to adopt regulations that establish clearer performance benchmarks, monitor standards, and accountability timelines for successor



ownership entities. In that vein, consideration should be given to creating a clear mechanism for replacing sponsors who persistently underperform. Extended participation in the program without measurable progress can undermine preservation goals and prolong instability for tenants. Additional guardrails related to building disposition models may also help preserve opportunities for cooperative and HDFC ownership structures where appropriate. These safeguards would help ensure that building rehabilitation efforts remain aligned with long-term housing preservation goals.

Resource and Implementation Capacity

Buildings entering the TPT program frequently require significant capital improvements, infrastructure upgrades, and regulatory compliance work. The proposed legislation appropriately emphasizes stabilization and preservation, but program success depends heavily on the availability of ongoing financial and technical support for successor ownership entities and building residents.

Expanding access to backend support services would help ensure that buildings transitioning out of distress remain financially stable and affordable. These supports are particularly important for properties transitioning to cooperative, HDFC, or nonprofit ownership models, which often require additional administrative and financial capacity during early rehabilitation phases.

In addition, continued and on-going tenant/shareholder management trainings, access to affordable low-interest financing, and regular compliance audits after coop conversion is essential to the long-term success of the newly formed low-income co-ops. It may be beneficial for HPD to assess whether the required shareholder class curriculum covers contemporary governance challenges such as subletting policies, share transfers, and succession issues. Surveying well-functioning HDFC boards to identify common governance challenges and areas where additional pre and post conversion technical assistance would have been helpful could strengthen long term cooperative stability.



Exemptions for Distressed Owner Occupied Properties

The proposed amendments to Administrative Code §11-401.4 make important progress by expanding exemption categories and strengthening protections for owner-occupied tax class 1 properties. These improvements appropriately recognize that property distress can result from financial hardship, administrative complexity, or barriers to accessing relief programs rather than sustained neglect. Refining exemption pathways and ensuring that owner-occupied properties receive additional scrutiny before entering enforcement pipelines helps prevent unnecessary property loss among vulnerable homeowners. These changes support housing stability not only for homeowners themselves, but also for tenants residing in small, owner-occupied buildings, who are often at heightened risk of displacement when enforcement mechanisms operate without sufficient flexibility. By more carefully distinguishing between properties experiencing temporary hardship and those experiencing sustained neglect, the legislation promotes a more equitable and targeted enforcement framework. We support maintaining robust exemption protections and believe that several clarifications would further strengthen the legislation's fairness and accessibility.

First, while the exemption list in Administrative Code §11-401.4 appropriately protects owner-occupied tax class 1 properties, the current structure may create confusion regarding properties that qualify for certain exemption programs but are not yet enrolled. In practice, we frequently encounter homeowners who are eligible for programs such as the Senior Citizen Homeowners' Exemption (SCHE) or the Disabled Homeowners' Exemption (DHE) but who are not receiving these benefits due to administrative barriers or lack of awareness. Explicitly including properties eligible for these programs would align with the legislation's goal of preventing enforcement actions against vulnerable homeowners who would otherwise qualify for relief.

Similarly, we recommend that the exemption list include properties participating in or eligible for the Property Tax and Interest Deferral (PT AID) Program. Participation in PT AID reflects demonstrated financial hardship and a willingness to remain compliant with repayment obligations, which is consistent with the legislation's emphasis on providing cure opportunities before enforcement proceeds.



We also recommend expanding exemption protections to include properties occupied by heirs of deceased owners who continue to reside in inherited homes. Our experience assisting such households demonstrates that heirs frequently face title and administrative challenges that can delay access to relief programs and place properties at risk of enforcement despite continued occupancy and maintenance. Clarifying exemption protections for heir-occupied properties would further advance housing stability and prevent unnecessary displacement.

Finally, we recommend clarifying the interaction between Administrative Code §11-401.4 and §11-407.1. The current language may create confusion regarding whether owner-occupied primary residences are automatically exempt or subject to a discretionary exemption process. Clarifying or consolidating these provisions would improve administrative consistency and reduce the risk that eligible homeowners are inadvertently subjected to enforcement.

Prioritization

The revised property selection criteria under §11-401.3 also improve transparency and consistency by further refining how properties are identified as distressed buildings subject to potential transfer, promoting more targeted enforcement. Clearer selection standards help ensure that enforcement efforts are directed toward properties demonstrating persistent and severe deterioration, repeated regulatory violations, or long-standing failure to maintain safe and habitable conditions. Greater transparency in how buildings are selected promotes accountability in program administration and increases confidence among both tenants, property owners, and the public that inclusion in the program is based on objective, consistently applied criteria. For tenants, these improvements increase the likelihood that government intervention will occur in buildings where conditions genuinely threaten health and safety, thereby helping to prioritize stabilization resources where they are most urgently needed.

To further support the bill's preservation goals, we recommend a regulatory regime that prioritizes tax Class 2 properties for program selection where feasible. Class 2 properties are more likely to involve rental buildings experiencing sustained physical deterioration and regulatory noncompliance affecting multiple tenant households. In contrast, class 1



properties are more likely to include owner-occupied homes where eligibility for exemption programs may be overlooked or delayed. Prioritizing class 2 properties would help ensure that enforcement efforts focus on buildings presenting the greatest tenant health and safety risks while reducing the likelihood that vulnerable homeowners are inadvertently swept into the program.

Notice and Cure

The proposed legislation significantly improves procedural safeguards by strengthening notice requirements and expanding cure opportunities. Sections 11-401.5 and 11-405(d) improve communication with property owners regarding consequences, program eligibility, and available cure options. These earlier notices and structured cure periods are essential to ensuring property owners have meaningful opportunities to resolve distress and maintain ownership, which directly benefits tenants by promoting housing continuity and reducing disruptive ownership transfers.

The legislation also strengthens monitoring and corrective action provisions, supporting earlier identification of deteriorating building conditions and allowing for more timely intervention. Collectively, these changes promote faster remediation of hazardous conditions and reduce the likelihood that tenants will remain in prolonged unsafe or poorly maintained housing before meaningful enforcement occurs.

We recommend HPD adopt regulations that further strengthen notice provisions under Administrative Code §§11-401.5 and 11-405(d) by expanding both delivery methods and content requirements. Notice delivery should mirror the multiple methods used to notify tenants, increasing the likelihood that owners receive and understand program communications. Additionally, where a property is subject to sale as either vacant land or an unoccupied building, notice should be provided to the property with the same posting requirements as a vacate order. Notice content should clearly identify the grounds for program selection, available cure options, applicable cure deadlines, and contact information for nonprofit legal service providers who may assist property owners.

Adopting notice standards similar to the pre-foreclosure notice requirements under RPAPL §1304 would provide a well-established and effective framework for communicating



critical enforcement information. Consistent, detailed notice requirements would help prevent inadvertent noncompliance and ensure that homeowners have a fair opportunity to access available relief before enforcement actions proceed.

CONCLUSION

We appreciate the sponsor's leadership and the Council's continued commitment to improving housing preservation tools.

Int. No. 0657-2026 reflects a thoughtful and constructive effort to strengthen the Third Party Transfer program and improve the City's ability to address distressed housing conditions. The legislation enhances exemption clarity, strengthens due process protections, improves transparency, and supports earlier intervention in distressed buildings.

Our concerns focus on implementation considerations that may influence how effectively the program protects tenants who remain in abandoned and constructively abandoned buildings. We also emphasize the importance of safeguarding owner occupants of small properties, ensuring they are not inadvertently swept into the program or subjected to its enforcement measures without cause. Addressing these considerations will further strengthen the program's ability to preserve safe, stable, and affordable housing for vulnerable residents.

We welcome continued collaboration and dialogue to support effective implementation of these important reforms.



About The Legal Aid Society

The Legal Aid Society (“LAS”), the nation’s oldest and largest not for profit legal services organization, is more than a law firm for clients who cannot afford to pay for counsel. It is an indispensable component of the legal, social, and economic fabric of New York City – passionately advocating for low-income individuals and families across a variety of civil, criminal, and juvenile rights matters, while also fighting for legal reform. This dedication to justice for all New Yorkers continues during the COVID-19 pandemic.

The Legal Aid Society has performed this role in City, State, and federal courts since 1876. It does so by capitalizing on the diverse expertise, experience, and capabilities of more than 2,400 attorneys, social workers, paralegals, and support and administrative staff. Through a network of borough, neighborhood, and courthouse offices in 26 locations in New York City, LAS provides comprehensive legal services in all five boroughs of New York City for clients who cannot afford to pay for private counsel.

LAS’s legal program operates three major practices — Civil, Criminal, and Juvenile Rights — and receives volunteer help from law firms, corporate law departments and expert consultants that is coordinated by LAS’s Pro Bono program. With its annual caseload of more than 200,000 legal matters, The Legal Aid Society takes on more cases for more clients than any other legal services organization in the United States. And it brings a depth and breadth of perspective that is unmatched in the legal profession.

The Legal Aid Society's unique value is an ability to go beyond any one case to create more equitable outcomes for individuals and broader, more powerful systemic change for society as a whole. In addition to the annual caseload of 200,000 individual cases and legal matters, LAS’s law reform representation for clients benefits more than 1.7 million low-income families and individuals in New York City and the landmark rulings in many of these cases have a State-wide and national impact.

The Legal Aid Society is uniquely positioned to speak on issues of law and policy as they relate to homeless New Yorkers and the administration of public benefits. The Legal Aid Society is counsel to the Coalition for the Homeless and for homeless women and men in the *Callahan* and *Eldredge* cases. The Legal Aid Society is also counsel in the *McCain/Boston* litigation in which a final judgment requires the provision of lawful shelter to homeless families. LAS, in collaboration with Hughes Hubbard Reed LLP,



settled *Toliver v. New York City Department of Social Services* on behalf of current and past recipients of CityFHEPS and FHEPS rental subsidies.

My name is Theo Chino, and I live at [REDACTED] Riverside Drive a building in an incomplete the TPT program since 2003.

I am being evicted and received a 90-day letter to vacate the premises 30 days ago by the 640 Riverside Drive sponsor UHAB.

I am currently running for Congress in Congressional District 13. I am running against Congressman Adriano Espaillat because he has failed to call for a GAO investigation into Third Party Transfer sponsors and their use of Section 8 vouchers in Title XI HDFCs to pay for the Participation Loan Program.

My socialist grandfather is one of the co-founders of the Congress of Racial Equality and came up with the name CORE. I am part of a civil rights legacy.

My grandfather was Japanese and earned a few Purple Hearts, a few Bronze Stars, and a Silver Star. He is interred at Arlington Cemetery. I am a Gold Star legacy.

My mother moved from the Dominican Republic as a child and moved to [REDACTED] Riverside Drive. After the death of her stepfather, another World War II veteran, her family ended

up in dire circumstances and survived thanks to welfare programs such as what you refer to today as SNAP.

In college, I was told that upward mobility was achieved through the acquisition of capital, and that real estate acquisition was a very important component.

When I returned to New York City in 2001, I ended up on the board of the Tenant Association, and we were supposed to go into the TIL program, but that was changed to the TPT program.

We were told by our sponsor, UHAB, that we were given our property for \$1 with the idea that we would take care of our building, that we could not resell it at market price, and that the rent would be commensurate with the expense of repaying the loan.

Where did the \$100 million go?

On July 15, 2021, the Four Freedoms Democratic Club, to give more transparency, adopted a resolution expanding Councilwoman Maloney's bills and Ben Kallos's expansion to include greater transparency in Participation Loan Programs through the passport system. Your bill does not include any tools for stakeholders to act as verification agents.

We are told that we must learn how to FOIL, and when we filed FOIL requests, we were told that the data was proprietary.

Those who are still poor receive Section 8, and their rent remains the same because the complex financial system of robbing Peter to pay Paul is not overseen by any committee. Your bill does not include greater oversight by the Department of Investigation.

As I said earlier, I am running for Congress to expose all the HDFC corruption organized by sponsors like mine—UHAB, Settlement Housing—or general contractors such as MDG Design, whom the FBI has investigated for wage theft and whom HPD has cleared to handle the NYCHA Trust, or Wavecrest Management, which managed to place UHAB on the Worst Landlord List.

When that happened, Public Advocate Letitia James changed the algorithm so these properties would no longer appear; and Public Advocate Williams has not done anything to the algorithm except strengthen the change so their appearance is even smaller.

Today, I don't qualify for Section 8, so my rent, instead of being raised to the agreed amount in today's dollars of \$1,400, is going to \$2,060. That is money that is being taken from the retirement of my mother, who held low-income jobs all her life. I supplement her \$400 monthly Social Security, and I had made life plans based on \$1,400, not \$2,060, so that the owner can retire in a penthouse he converted into an HDFC in Tribeca.

Your bill doesn't include anything about making things right for tenants like me who are in the process of climbing the social ladder. A week ago, a family that moved into the building in the late 1990s just moved out to the Bronx because they could not afford the new rent.

Now, I did not come to testify just to testify. As you know, I have been active in uptown politics, and this is a chance for you to ask any historical questions about my story with our TPT building.

If you don't have any questions, this will be the basis of the council legacy: proof that this Council does not care about upward mobility for poor people into the lower middle class, and that it simply hope that residents like us disappear quietly from the social contract that is New York.

Thomas Winston

St. Nicholas Avenue, New York, New York 10032

12th March 2026

To: City of New York Council Members of the Committee on Housing and Buildings
Oversight: Third Party Transfer Program

Thank you for holding this hearing to address the affordability in housing crisis in the City of New York regarding the Third Party Transfer Program (TPT).

The Committee on Housing and Buildings does not yet address the financing measures inherent in the New York State Private Housing Finance Law (and HPD as the supervising agency in the City of New York) underpinning the Third Party Transfer Program.

The TPT seems inherently a criminal enterprise because of its conveyance of real estate ownership without the knowledge or consent of the persons having to pay back the loan.

There must be Disclosure, Transparency and Accountability in the Participation Loan Programs (PLP) administered by the City of New York Department of Housing, Preservation and Development (HPD) per Article 11 of the New York State Private Housing Finance Law. All HPD affordable housing Participation Loan Program (PLP) contracts with nonprofits, sponsors and developers must be listed and easily retrieved in the Passport Contracts Database.

After the 22nd July 2019 Hearing on the Third Party Transfer Program (TPT) Council Members Kornegy and Torres recommended a Moratorium/Suspension of the TPT based upon the submitted Testimonies.

What has occurred since the 22nd July 2019 hearing on the Third Party Transfer Program?

- Increase in the designation of “distressed buildings” subject to foreclosure.
- Increase in findings of “deed theft”.
- Increase in elder abuse of homeowners fighting foreclosure loss of property. (42 U.S.C.§1397j-1397m)

- Continued violations of civil and human rights laws (18 U.S.C. §241, §242) NYC Human Rights Law Administrative Code §8-107
- Continued housing discrimination and elder abuse through deprivation of housing rights. (42 U.S.C. §§3601-3619)

I remain hopeful that you will see the necessity for Transparency and Accountability in these Participatory Loan (Advance Payments) measures to prevent the irreparable harm my wife and I have experienced, from happening to any other resident of the City of New York.

I submitted prior Testimony to the Housing and Buildings Committee re the Third Party Transfer Program on the 26th April 2018, 22nd July 2019 and 30th September 2024 and on 3rd June 2025 regarding Social Housing.

City of New York Council Hearings held by the Housing and Buildings Committee on the Third Party Transfer Program, 26th April 2018 (Committee Report, 7p; Testimony, 275p; Transcript, 209p): <https://legistar.council.nyc.gov/LegislationDetail.aspx?ID=3465116&GUID=1BC54EFF-A8C0-4A4A-B278-E939E85D17A8&Options=&Search=>

22nd July 2019 (Committee Report, 15p; TPT Hearing Slides, 34p; TPT. Hearing Testimony, 266p; TPT Hearing Testimony (Con't), 1p; TPT Hearing Transcript, 271p); <https://legistar.council.nyc.gov/LegislationDetail.aspx?ID=>

Respectfully submitted.

Thomas Winston

Thomas Winston

St. Nicholas Avenue, New York, New York 10032

3rd June 2025

To: City of New York Council Members of the Committee on Housing and Buildings Oversight: Social Housing

Thank you for holding this hearing to address the affordability in housing crisis in the City of New York on bills re **Social Housing**: Int no. 78, Int no.350, Int no. 570, Int no. 571, Int no. 902 (tenant opportunity to purchase), proposed Int no 1006-A and proposed

Int no. 1007-A, Int no. 1034, Int no. 1281, Int no. 1296 and Res no. 374 and Res no. 777 calling on the New York State legislature to pass ...

The Committee on Housing and Buildings does not yet address the financing measures inherent in the New York State Private Housing Finance Law (and HPD as the supervising agency in the City of New York) that it depends upon to enact these bills re **Social Housing**.

I remain hopeful that you will see the necessity for Transparency and Accountability in these Participatory Loan (Advance Payments) measures to prevent the irreparable harm my wife and I have experienced, from happening to any other resident of the City of New York.

I submitted prior Testimony to the Housing and Buildings Committee re the Third Party Transfer Program on the 26th April 2018, 22nd July 2019 and 30th September 2024.

City of New York Council Hearings held by the Housing and Buildings Committee on the Third Party Transfer Program, 26th April 2018 (Committee Report, 7p; Testimony, 275p; Transcript, 209p): <https://legistar.council.nyc.gov/LegislationDetail.aspx?ID=3465116&GUID=1BC54EFF-A8C0-4A4A-B278-E939E85D17A8&Options=&Search=>

22nd July 2019 (Committee Report, 15p; TPT Hearing Slides, 34p; TPT. Hearing Testimony, 266p; TPT Hearing Testimony (Con't), 1p; TPT Hearing Transcript, 271p); <https://legistar.council.nyc.gov/LegislationDetail.aspx?ID=>

Below is Testimony from 30th September 2024 and 22nd July 2019.

Respectfully submitted.

[REDACTED] --10//2024-- 1:55 PM
Testimony of Thomas Winston--Third Party Transfer Program--30th September 2024
To testimony@council.nyc.gov Copy [thomaswinston@\[REDACTED\]](mailto:thomaswinston@[REDACTED]) me@[REDACTED]
[REDACTED]me@[REDACTED]

Thomas Winston
[REDACTED] St. Nicholas Avenue, [REDACTED] New York, New York 10032
[REDACTED]

30th September 2024

To: City of New York Council Members of the Committee on Housing and Buildings
Oversight: Third Party Transfer Program (TPT)

Thank you for having this hearing (Int 1063) to repeal sections 11-425, 11-426 and 11-427 relating to the Third Party Transfer Program agreements for payment of delinquent taxes and charges in installments.

The Third Party Transfer Program is a public private partnership administered by the Department of Housing Preservation and Development (HPD.)

The text consistently states “the commissioner of finance may also exclude or thereafter remove from such list any parcels which are owned by a company organized pursuant to Article XI of the private housing finance law with the consent and approval of the department of housing preservation and development” ...

“the commissioner of finance with assistance from the department of housing preservation and development may exclude or thereafter remove from such list any property that is a distressed property but where all of the hazardous or immediately hazardous violations of record of the of the housing maintenance code ...”

HPD pursuant to Article XI of the New York State Private Housing Finance has fiduciary responsibility to oversee its Participation Loans under transfer to a “third party” that supposedly develops housing development fund corporations (HDFCs) for ownership by resident tenants. The HDFCs become “distressed” when the “third party” takes out loans/mortgages without any input from resident tenants. The resident tenants are then responsible for mortgages that they did not approve and cannot afford. Furthermore, the “third party” does not invest the loans in the buildings to the benefit of the resident tenants.

My wife and I thus far have lived in conditions of disrepair for twenty (20) years that was caused by a ‘third party” a nonprofit (SHUHAB) that was allowed to take a building that needed some repair to leave the building in mortgage debt with great disrepair, in conditions harmful to the health and safety of the resident tenants. A “third party” solution in our opinion would be to have an “ombudsman” that works directly with the resident tenants to enhance the building from the inside. First focusing on the building infrastructure (heating, plumbing, wiring, common areas) then individual apartment repair if necessary. The Participation Loan would be utilized appropriately in partnership with the “ombudsman” and the resident tenants.

The department of finance and HPD transferred our building to Neighborhood Restore and SHUHAB for \$1.00 with no fiduciary oversight. This corruption and malfeasance has ended with a \$6 million dollar mortgage and great disrepair and suffering. Where did the money go?

I submitted prior Testimony to the Housing and Buildings Committee re the Third Party Transfer Program on the 26th April 2018 and the 22nd July 2019.

City of New York Council Hearings held by the Housing and Buildings Committee on the Third Party Transfer Program, 26th April 2018 (Committee Report, 7p; Testimony, 275p; Transcript, 209p): <https://legistar.council.nyc.gov/LegislationDetail.aspx?ID=3465116&GUID=1BC54EFF-A8C0-4A4A-B278-E939E85D17A8&Options=&Search=>

22nd July 2019 (Committee Report, 15p; TPT Hearing Slides, 34p; TPT. Hearing Testimony, 266p; TPT Hearing Testimony (Con't), 1p; TPT Hearing Transcript, 271p); <https://legistar.council.nyc.gov/LegislationDetail.aspx?ID=>

Below is Testimony from 22nd July 2019.

Thomas Winston

█ St. Nicholas Avenue, █ New York, New York 10032

22nd July 2019

To: City of New York Council Members of the Committee on Housing and Buildings and the Committee on Oversight and Investigations: Third Party Transfer Program (TPT)

**Affordable Housing: Sponsor Enrichment!! Resident /Foreclosure/Poverty!!
Re: The misuse of public funds (including the HOME program) by housing development fund corporations in the creation of affordable housing programs under the auspices of the New York State Private Housing Finance Law (PHFL.)**

I, Thomas Winston and my wife, M.E. Greene-Cohen are the “First Shareholders.”
Residing at █ St. Nicholas Avenue, █, New York, NY 10032

On May 1, 2000, I signed the lease for Apartment 31, located in [REDACTED] St. Nicholas Avenue. We entered into an Agreement/Contract with the then 7A Administrator of [REDACTED] St. Nicholas Avenue to lease [REDACTED] which had been vacant for over ten (10) years. The 7A Administrator did not have the funds to renovate and prepare the apartment for rental. The agreement between the parties entailed rent credits against the stated monthly lease while I conducted and paid for the renovation.

We entered into this agreement because it was an affordable investment that would allow us to consolidate our two households and cease to live separately. The building was slated to become a cooperative and we thought that our money, time and sweat equity investment would be rewarded over time.

In May 2001, the City of New York Commissioner of Finance conveyed 936-938 St. Nicholas Avenue ('The Building') to Neighborhood Restore in exchange for the sum of \$1.00. In December 2002, Neighborhood Restore conveyed the Building to SHUHAB HDFC in exchange for the sum of \$1.00. In July 2002, SHUHAB HDFC entered into an agreement with contractor Dellwood Construction to perform work at the Building. Dellwood was given a deposit of \$3,912,000.00 without Scope of Work compliance.

During this period, I served as Sergeant at Arms of the 936-938 St. Nicholas Avenue Tenants Association. After receiving many complaints from tenants regarding shoddy work, we formed a Construction Committee that I chaired, to monitor the work progress.

I and my wife did live happily in [REDACTED] until May 2004, when forced by a Relocation Agreement to vacate the premises for renovation/refurbishing by SHUHAB HDFC for a period of two to three months. Unfortunately, we were out of Apartment 31 for a total of thirteen (13) months due to SHUHAB HDFC's non-compliance with its own Relocation Agreement to hold its contractor responsible for shoddy and incomplete repairs as outlined in its TPT Scope of Work and to demand that its contractor perform according to City of New York building/housing codes. We began written complaints of disrepair on 1st September 2004.

In August 2005 we were informed by City of New York Department of Housing Preservation and Development (HPD) that a rent increase based on the costs of renovation/mortgage would become effective. We informed HPD that the renovation was shoddy and incomplete and not deserving of a rent increase. We also informed public officials about our concerns regarding the misuse of public funds.

In April 2006, the Tenant Association engaged an engineer, Mr. John J. Flynn, P.E. to inspect the premises and prepare a survey. Some of the deficiencies highlighted in Mr. Flynn's survey: "Structural damage—"rambling cracks on the facades of the northeast and southeast corners of the building"; The necessity of reconnecting the detaching corners by means of structural shear connections and the reconstruction of several of the window soffits ...; Inadequate heating systems in three cellar apartments; Failure to remove all wiring and conduit not being used from the building walls; Failure to repair concrete stairs and install proper handrails; The roofing contractor's complete ignorance of the required roof and roof parapet work; Failure to place firestopping materials for opening in floors, walls between apartments and public spaces; Failure to properly install heating in the community room (the pipes are not in the wall, but rather run along the floor, creating a fire hazard); Demolition of the abandoned incinerator chimney; Inadequate installation of a boiler smaller than originally specified; Concern that should the Sponsor transfer ownership of the building to the Tenant Committee without first completing the items indicated above ... the obligation to correct the deficiencies will fall to the owner of record".

Also in April 2006, Precision Combustion Consultants, Inc. prepared a Preliminary Field Survey Report to confirm the proper installation of the new boiler system in accordance with the contract specification and to evaluate the boiler system's performance. This Report made several notable findings: "The current electrical wiring works is in violation of the DOB code requirements; There was asbestos hanging/falling off accessible areas of the basement, which could lead to contamination throughout the building because of a "plunger effect" of the up and down movements of the elevators in the elevator shaft. A continuation of the current sump pump operations may over a period of time create structural problems in the building. The fuel oil storage tank had never been cleaned, before or after the boiler installation. The boiler is not surrounded with sufficient fireproofing materials, in violation of DOB code, leaving open a risk that a fire could cause structural damage to the columns and steel I-beams. The report concludes that the heating plant installation "is not installed in full accordance" with the Contract and "and applicable NYC and NY code requirements"

SHUHAB HDFC, the Owner, did not make necessary repairs and included a clause stating "Accept the apartment [building] in the condition it is in at the closing date".

I and my wife remained as renters because we could not accept the eventual costs of repair to contractors' shoddy work that would be required of cooperators. This Scope of Work was at a cost of \$5 million dollars. Little of this amount was spent in [REDACTED]

■. The contractor did compromise our Renovation to make ■ habitable. It has been estimated that it will require at least \$15 million dollars to correct this disrepair to the Building and apartments therein.

In September 2006, we filed decreased services, lack of lease and rent overcharge forms with the DHCR. The DHCR only recognized the request for a lease and denied our repair and rent overcharge requests because “HPD had certified the renovation and issued rent increases” Also in September 2006, I hired Professional Home Inspection Corp., Consulting Engineers to inspect ■.

In July 2008, we appealed to the Supreme Court by an Article 78 Proceeding in our quest for repairs in ■ and the proper use of public funds pursuant to Article 15 of the New York State Private Housing Finance Law (SEE Verified Petition: **Index No. 109389/2008**) —No Certificate of Occupancy.

The Supreme Court only recognized our request for a lease and denied our repair and rent overcharge requests because “HPD had certified the renovation and issued rent increases.” We filed A Reply Affidavit to DHCR’s request for dismissal, an appeal to the Appellate Division, per Brief for Petitioners, Reply Brief for Petitioners, Motion for Reargument re “Ahmed”, or Alternatively, Leave to Appeal to the Court of Appeals. We filed our Motion to the Court of Appeals on 4th November. Our Motion for Leave to appeal to the Court of Appeals was denied.

In July 2009, my wife, M.E. Greene-Cohen was denied lease renewal of her 33 year residency in ■ West 72nd Street: “schedule: only visits the building to pick up her mail, uses the apartment as storage, believed to be residing with Thomas Winston at ■ St. Nicholas Avenue”.

In November 2009, Walber 72nd Street Associates/Walter & Samuels filed a Non-Primary Residence Holdover Proceeding against my wife’s 33 year residency at ■ West 72nd Street (**Index No. 92576/2009.**) Their prima facie evidence was the Verified Petition, **Index No. 109389/2008.**

In April 2013, the court denied all my wife’s Affirmative Defenses in the Non-Primary Residence Holdover Proceeding and issued a Warrant of Eviction. She filed an appeal.

In May 2013, Flabbergasted that my wife could be evicted from her premises based upon an appeal to a governmental agency, I began to write “To Whom It May Concern” Affordable Housing: Sponsor Enrichment!! Resident/Foreclosure/Poverty!! Re: The misuse of public funds (including the HOME program) by housing development fund

corporations in the creation of affordable housing programs under the auspices of the New York State Private Housing Finance Law (PHFL) (SEE Thomas Winston ... To Whom It May Concern: Dated 5th May 2013, Updated 26th June 2015)

In November 2014, I filed an Article 78 proceeding regarding rent overcharges and requested that DHCR provide a forensic financial, structural, and architectural accounting of renovations in [REDACTED] and the Building. (SEE Verified Petition **Index No. 101294/2014**) The proceeding was dismissed May 1, 2015.

An appeal to a governmental agency is protected from retaliation pursuant to Real Property Law §223b.

In March 2016, to understand the various respiratory and health problems we are experiencing, I hired Microecologies, Inc. to perform an environmental inspection.

Since Fall of 2004, The Residents of 936-938 St, Nicholas Avenue have suffered the perpetuation of a fraudulent refurbishing/renovation that has resulted in a "sick" building that needs to be made whole. Renovation was not performed per the Scope of Work. Inferior [poisonous] building material was used. The shoddy work has resulted in creating environmental and structural conditions that effect residents' health, morbidity and mortality. The building is mold infested, seen and unseen. Respiratory, cardiovascular, pulmonary illness and broken hearts abound.

For example, in this fifty-one (51) unit building, ten (10) residents have died from initial symptoms that include respiratory distresses and memory loss. The contractor was given a deposit of \$3,912,000.00 without scope of work compliance.

Residents have recently learned that the building's lack of a Certificate for Occupancy is a violation of the City of New York Multiple Dwellings Law §301. How/Why was a mortgage granted without a Certificate of Occupancy?

The **Job No. 103324653** which was/is the permit for the 2002-2004 construction work in 938 St. Nicholas Avenue, Block 2107, Lot 20 is still **Open at the City of New York Department of Buildings (DOB)**. The Work remains Incomplete. The Contractor willfully misfiled the Job so that it did not reflect the true cost of the Scope of Work and compliance with the Multiple Dwellings Law. There was No Certificate of Occupancy in 2006. There is NO Certificate of Occupancy NOW. How/Why was a mortgage granted without a Certificate of Occupancy? An ALT 1 should have been filed with the DOB. The mortgage amounts of approximately \$6 million dollars require an ALT 1 filing and a Certificate of Occupancy.

Please note the document file for the foreclosure action that commenced in 2013 under the auspices of Judge Joan Madden and dismissed dated July 31, 2018: "Ordered that plaintiff's foreclosure action is dismissed in its entirety without prejudice; and it is further Ordered that the temporary receivership of Daniel R. Milstein is terminated and Mr. Milstein shall be fully discharged as Receiver upon court approval of his final accounting":

850011 – 2013--

<https://iapps.courts.state.ny.us/nyscef/DocumentList?docketId=P7AHkVkAJoaJnTcmWwrEA==&display=all&courtType=New%20York%20County%20Supreme%20Court&resultsPageNum=1>

Unfortunately, the mortgage note was transferred to a new lender for the third time during the dismissed foreclosure action. The new lender served the building and shareholders with a new foreclosure action on Wednesday, 5th September. It is assigned **Index No. 850233-2018--** New York County Supreme Court

Short Caption: 938 ST. NICHOLAS AVENUE LENDER LLC, - v. - 936-938
CLIFFCREST HOUSING DEVELOPMENT FUND CORPORATION et al

Case Type: Real Property - Mortgage Foreclosure - Commercial

Case Status: Pre-RJI;

<https://iapps.courts.state.ny.us/nyscef/DocumentList?docketId=YjmbXxmT0PYGZOFID8uTig==&display=all&courtType=New%20York%20County%20Supreme%20Court&resultsPageNum=1>.

The Managing Member of 938 ST. NICHOLAS AVENUE LENDER LLC, Mr. David Aviram, is also the Principal and Director of Acquisitions for Maverick Real Estate Partners (www.maverickrep.com), "a private equity fund manager that acquires loans, mechanic's liens and judgments secured by real estate"

We ask that you take direct action to help end the rampant abuse of the American legal system and the unjust application of the law, whether de jure or de facto in the City and State of New York. People are evicted, harassed and abused by those who use resources to manipulate the Courts. The Courts have failed in supervising themselves and the attorneys who capitalize on these unfortunate circumstances. Whether it is the lawyer that uses the legal system to throw families out of their homes or the judge that endorses them, things cannot continue like this. I ask that you take direct action to order an outside independent agency to investigate how tax payer dollars are being coopted.

The affordable housing programs in the City of New York are corrupted by the fraudulent use of federal HOME funds and other public monies in “economically targeted investments.”

Particularly egregious in facilitating the fraudulent use of public monies is the Tenant Interim Lease Program (TIL), the Third Party Transfer (TPT) Program and the Affordable Neighborhood Cooperative Program (ANCP) created and administered by the Department of Housing Preservation and Development (HPD) and its Participation Loan Program, under the auspices of Article 11 and Article 15 of the New York State Private Housing Finance Law.

HPD arranges sponsor/developer access to public monies ostensibly to provide affordable housing to residents. In fact, sponsors and developers are enriched and residents are left with damaged property and unmanageable debt. The predatory lending scheme threatens the retirements of workers vested in City of New York pension funds that are guaranteeing these programs i.e. “economically targeted investments”.

Furthermore, residents are subjected to “breaches of law” that include deprivation of rights under the 5th Amendment to the U.S. Constitution, mortgage fraud, inverse condemnation, regulatory taking (ultra vires, unjust enrichment) and violations of Truth in Lending Laws.

For example, in the City of New York, 644 Riverside Drive is saddled with a \$46 million dollar mortgage, 540-550 West 144th Street saddled with a \$14 million mortgage, 50 West 112th Street, 86 West 119th Street, 477 West 142nd Street and other buildings are at risk and at the mercy of predatory lenders.

Respectfully submitted.

Thomas Winston

█ St. Nicholas Avenue, █

New York, NY 10032

█ thomaswinstont@█ or me@█

The Honorable Eric Adams or Mayoral Candidates
Mayor of New York City
City Hall
New York, NY 10007

RE: Proposal to Protect and Assist Victims of Deed Theft in New York City

Dear Mayor Adams or Mayoral Candidate

I am writing to respectfully request your leadership and urgent action in addressing one of the most insidious and devastating crimes affecting New York City homeowners today — **deed theft**. Thus far, our pleas for help have largely gone ignored. Many of us have endured years of litigation only to be left with crippling financial burdens, legal limbo, and in some cases, bankruptcy or wrongful arrests – all of which accelerate the loss of our properties.

Deed theft disproportionately targets elderly residents, immigrants, and minority homeowners in gentrifying neighborhoods, stripping families of generational wealth, destabilizing communities, and undermining trust in our city's institutions. As a concerned [property owner / community advocate / small business owner], I have witnessed firsthand the devastation caused when someone's home is stolen through fraud and forgery — often without their knowledge until it's too late.

Despite public awareness campaigns and some enforcement efforts, victims still face overwhelming obstacles. In attempting to defend their properties some owners have been further victimized by wrongful arrests, compounding their legal and financial hardship. The process to reclaim stolen properties is slow, expensive, and often inaccessible. Worse still, city agencies and the court system lack the coordination, urgency, and resources to intervene effectively.

We propose the following actions to protect victims and prevent further harm:

1. Establish a Deed Theft Recovery Task Force

Create a multi-agency task force — including the District Attorney's Office, City Law Department, Sheriff's Office, Department of Finance, NYPD, an independent attorney chosen by the victims, and three victim representatives — dedicated to swift intervention, investigation, enforcement, and victim support.

2. Emergency Housing for Victims

Provide temporary housing or relocation assistance for homeowners displaced due to fraudulent activity.

3. Municipal Right to Intervene

Authorize the City of New York to intervene legally on behalf of victims in cases where fraud is evident and poses a threat to community stability.

4. Public Registry of Flagged Transactions

Develop a publicly accessible registry of disputed or suspicious deed transfers to prevent bad

actors from selling or transferring stolen properties. Consider placing flagged properties into **In Rem** status until legal resolution.

5. Financial and Legal Assistance for Recovery

- a. Establish a legal fund for attorneys of victims' choosing to represent them in civil and criminal proceedings, including negotiating modifications with the lender.
- b. Provide legal resources to negotiate mortgage modifications — acknowledging the proven link between fraudulent loan modification schemes and deed theft.
- c. Offer legal support to negotiate payment plans for outstanding charges, including water/sewer fees, property taxes, violations, and liens.
- d. Appoint a dedicated city representative to negotiate in good faith with impacted homeowners.
- e. End the city's property lien sale program, which has been directly linked to deed theft, leaving desperate homeowners vulnerable to predatory actors.

6. Enforcement of the Deed Theft Law

In November 2023, the Deed Theft legislation (S.6577/A.6656) was signed into law, granting local prosecutors and the New York State Attorney General expanded authority to combat fraudulent property transfers. The law provides the following key powers:

- a. **Pause Evictions and Ownership Disputes:** Prosecutors can halt eviction and ownership proceedings related to suspected deed theft, ensuring that homeowners are not forcibly removed while investigations are ongoing.
- b. **Invalidate Fraudulent Sale and Loan Documents:** Prosecutors can void illegitimate deeds and associated documents, allowing properties to be restored to their rightful owners.
- c. **Prosecute Offenders:** District Attorneys and the Attorney General can pursue criminal charges against individuals and entities engaged in deed theft schemes, thereby preventing future harm to other homeowners.
- d. **Extend the Statute of Limitations:** The law recognizes that victims often discover fraud too late due to its concealed nature. Prosecutors now have extended timeframes to investigate and bring actions, addressing one of the most common obstacles victims face.

Despite these robust legal tools, enforcement has been alarmingly weak. Homeowners continue to lose their properties while prosecutors delay action, citing procedural hurdles or lack of resources. The very protections intended to safeguard communities are being ignored, allowing fraud to flourish unchecked. Since its enactment, thousands of homeowners have continued to lose their properties due to deed fraud. Emerging schemes now include forged loan documents and fraudulent closings orchestrated by unscrupulous lenders.

Shockingly, some attorneys—bound by their oath to uphold justice—have enabled these crimes by representing the interests of financial institutions over those of the rightful property owners. Meanwhile, both the New York Attorney General's Office and local District Attorneys have

failed to intervene meaningfully or prosecute offenders. While the New York Courts have remained silent.

What is transpiring in these communities amounts to systemic economic violence and mass displacement. The scale and pattern of abuse, if left unchecked, threaten the very fabric of property rights and due process protections in New York.

By implementing these measures, New York City will send a strong message: **we will not tolerate the theft of our residents' homes, and we will stand with victims to ensure justice and restitution.**

I would welcome the opportunity to meet with your office to discuss these recommendations further and share supporting documentation and personal accounts from those impacted.

Thank you for your attention to this critical issue and for your continued commitment to protecting our communities.

Sincerely,

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____
 in favor in opposition
Date: _____

(PLEASE PRINT)

Name: Lucy Joffe

Address: _____

I represent: HPD

Address: _____

▶ Please complete this card and return to the Sergeant-at-Arms ◀

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

Rose L...
I intend to appear and speak on Int. No. _____ Res. No. _____
 in favor in opposition
Date: _____

(PLEASE PRINT)

Name: AnnMarie Santiago

Address: _____

I represent: HPD

Address: _____

▶ Please complete this card and return to the Sergeant-at-Arms ◀

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

[]

I intend to appear and speak on Int. No. _____ Res. No. _____
 in favor in opposition

Date: _____

(PLEASE PRINT)

Name: Albert Kramer

Address: 1117 Lebutz

I represent: HPD

Address: HPD

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

[]

I intend to appear and speak on Int. No. _____ Res. No. _____
 in favor in opposition

Date: _____

(PLEASE PRINT)

Name: Kenny Lebutz

Address: _____

I represent: HPD

Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

[]

I intend to appear and speak on Int. No. _____ Res. No. _____
 in favor in opposition

Date: _____

(PLEASE PRINT)

Name: Rosa Kelly

Address: _____

I represent: HPD

Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 657 Res. No. _____
 in favor in opposition

Date: _____

(PLEASE PRINT)

Name: Noah Loeburg

Address: _____

I represent: Television Arts HDPC

Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 657 Res. No. _____
 in favor in opposition

Date: _____

(PLEASE PRINT)

Name: Annie Heish

Address: _____

I represent: UHAB

Address: 120 Wall St, 20th fl, 10005

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____
 in favor in opposition

Date: _____

(PLEASE PRINT)

Name: Albert Hill Deputy Commissioner

Address: _____

I represent: Dept. of Finance

Address: _____



Please complete this card and return to the Sergeant-at-Arms



**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

in favor in opposition

Date: _____

(PLEASE PRINT)

Name: KAREN GREENWOOD

Address: _____

I represent: Homeowners Advocate

Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

in favor in opposition

Date: 3/9/2026

(PLEASE PRINT)

Name: Michelle Lyons

Address: _____

I represent: _____

Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

in favor in opposition

Date: 3/9/26

(PLEASE PRINT)

Name: The CWNO

Address: _____

I represent: SWIN

Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 657 Res. No. _____

in favor in opposition

Date: 3/9/26

(PLEASE PRINT)

Name: SAL D'AVOLA

Address: _____

I represent: NEIGHBORHOOD COUNCIL

Address: 150 Broadway NY

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 1063 Res. No. _____

in favor in opposition

Date: _____

(PLEASE PRINT)

Name: Melanie Salazar

Address: _____

I represent: Center for NYC Neighborhoods

Address: 100 Broad Street

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 1063 Res. No. _____

in favor in opposition

Date: 3/9/26

(PLEASE PRINT)

Name: Sonali Govind

Address: _____ NY, NY, 10280

I represent: The Association for Neighborhood + Housing Development

Address: 50 Broad Street

Please complete this card and return to the Sergeant-at-Arms

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 657 Res. No. _____

in favor in opposition

Date: _____

(PLEASE PRINT)

Name: Lacey Tauber

Address: _____

I represent: Brooklyn Borough President Antonio Reynoso

Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 657 Res. No. _____

in favor in opposition

Date: _____

(PLEASE PRINT)

Name: Paula Segal

Address: _____

I represent: Abolish the Taxiderm Sale Coalition

Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 657 Res. No. _____

in favor in opposition

Date: 3/9/26

(PLEASE PRINT)

Name: Will Spisak

Address: [REDACTED], Queens

I represent: New Economy Project

Address: 121 W 29th Street

Please complete this card and return to the Sergeant-at-Arms

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 657 Res. No. _____

in favor in opposition

Date: _____

(PLEASE PRINT)

Name: Robert Desir

Address: 49 Thomas Street

I represent: Legal Aid Society

Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 657 Res. No. _____

in favor in opposition

Date: 3/9

(PLEASE PRINT)

Name: SAKOB SCHNEIDER

Address: _____

I represent: EAST NEW YORK CLT

Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 657 Res. No. _____

in favor in opposition

Date: 3/7

(PLEASE PRINT)

Name: Russell Crane

Address: _____

I represent: Legal Aid Society LT

Address: _____

Please complete this card and return to the Sergeant-at-Arms

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 657 Res. No. _____

in favor in opposition

Date: 03.09.26

(PLEASE PRINT)

Name: Okunaka Mironaka

Address: _____

I represent: CSNY

Address: 633 31st Ave 1st Fl NY 10017

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 657 Res. No. _____

in favor in opposition

Date: _____

(PLEASE PRINT)

Name: Todd Baker

Address: _____

I represent: Que Bronx

Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 657 Res. No. _____

in favor in opposition

Date: _____

(PLEASE PRINT)

Name: Juan Carlos Lery

Address: _____

I represent: Que Bronx

Address: _____

Please complete this card and return to the Sergeant-at-Arms

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 657 Res. No. _____

in favor in opposition

Date: _____

(PLEASE PRINT)

Name: Lermela Garcia

Address: [Redacted] Davidson

I represent: Our Bronx

Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 657 Res. No. _____

in favor in opposition

Date: _____

(PLEASE PRINT)

Name: Edward Garcia

Address: _____

I represent: Our Bronx

Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 657 Res. No. _____

in favor in opposition

Date: _____

(PLEASE PRINT)

Name: Angelita Waring

Address: [Redacted] Webster

I represent: Our Bronx

Address: _____

Please complete this card and return to the Sergeant-at-Arms